

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 24-1045.01 Yelana Love x2295

HOUSE BILL 24-1373

HOUSE SPONSORSHIP

Amabile and Ricks, McCluskie, Clifford, Snyder, Mabrey, Mauro, McLachlan

SENATE SPONSORSHIP

Roberts and Will,

House Committees

Business Affairs & Labor
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING PERSONS LICENSED TO SELL ALCOHOL BEVERAGES, AND,**
102 **IN CONNECTION THEREWITH, CONVERTING CERTAIN**
103 **LIQUOR-LICENSED DRUGSTORE LICENSES TO FERMENTED MALT**
104 **BEVERAGE AND WINE RETAILER LICENSES, UPDATING THE**
105 **REQUIREMENTS FOR WHOLESALERS, ADJUSTING THE CAP ON**
106 **THE AMOUNT OF ALCOHOL BEVERAGES A RETAILER CAN**
107 **PURCHASE FROM RETAIL LIQUOR STORES, PROHIBITING A**
108 **FERMENTED MALT BEVERAGE AND WINE RETAILER FROM**
109 **DISPLAYING ALCOHOL BEVERAGES IN CERTAIN LOCATIONS ON**
110 **THE RETAILER'S SALES FLOOR, EXPANDING CERTAIN LICENSEES'**
111 **ABILITY TO DELIVER ALCOHOL TO CERTAIN OTHER LICENSEES,**
112 **AND PROHIBITING A FERMENTED MALT BEVERAGE AND WINE**
113 **RETAILER FROM SELLING WINE WITH GREATER THAN**

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.

101 **TWENTY-ONE PERCENT ALCOHOL BY VOLUME OR FERMENTED**
102 **MALT BEVERAGES WITH GREATER THAN FOURTEEN PERCENT**
103 **ALCOHOL BY VOLUME.**

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>.)

Sections 1 and 2 of the bill eliminate the liquor-licensed drugstore license, effective January 1, 2025. All active liquor-licensed drugstore licenses will convert to a fermented malt beverage and wine retailer license on that date; except that a licensee with a single location may choose to convert the liquor-licensed drugstore license to a retail liquor store license. **Sections 18 through 29** make conforming amendments to account for the removal of the liquor-licensed drugstore license.

Sections 3 and 4 require fermented malt beverage and wine retailers to display alcohol beverages for sale in a single location on the licensed premises and prohibit fermented malt beverage and wine retailers from selling alcohol beverages with greater than 14% alcohol by volume.

Sections 5 and 6 expand on a wholesaler's duty not to discriminate when selling products to retailers and allows the state licensing authority to recover the cost of enforcing the anti-discrimination laws from a person found in violation of the anti-discrimination laws.

Current law limits the amount of alcohol beverages certain retailers can purchase from retail liquor stores, liquor-licensed drugstores, and fermented malt beverage and wine retailers. **Sections 7 through 17** remove the cap as it applies to retail liquor stores.

For the delivery of alcohol beverages:

- **Section 4** prohibits fermented malt beverage and wine retailers from delivering alcohol beverages to another person licensed to sell alcohol beverages; and
- **Section 24** removes the prohibition on a retail liquor store delivering alcohol beverages to another retail liquor store.

Section 18 allows automated teller machine (ATM) cards associated with public assistance programs to be used at ATMs in grocery stores.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-3-103, **amend**
3 (26); and **add** (21.5) as follows:

4 **44-3-103. Definitions.** As used in this article 3 and article 4 of
5 this title 44, unless the context otherwise requires:

6 (21.5) "INDEPENDENT PHARMACY" HAS THE SAME MEANING AS IN
7 SECTION 25-4-2404 (1)(a).

8 (26) "Liquor-licensed drugstore" means any ~~drugstore~~
9 INDEPENDENT PHARMACY licensed by the state board of pharmacy that has
10 also applied for and has been granted a license by the state licensing
11 authority to sell malt, vinous, and spirituous liquors in original sealed
12 containers for consumption off the premises.

13 **SECTION 2.** In Colorado Revised Statutes, 44-3-410, **amend**
14 (1)(a)(I), (2)(a)(I), and (2)(b); **repeal** (1)(b), (4)(b)(IV), (4)(b)(V), (4)(c),
15 and (7); and **add** (8) as follows:

16 **44-3-410. Liquor-licensed drugstore license - multiple licenses**
17 **permitted - requirements - rules.** (1) (a) (I) A liquor-licensed drugstore
18 license shall be issued to persons selling malt, vinous, and spirituous
19 liquors in sealed containers not to be consumed at the place where sold.
20 ~~On and after July 1, 2016, except as permitted under subsection (1)(b) of~~
21 ~~this section, JANUARY 1, 2025, the state and local licensing authorities~~
22 ~~shall not issue a ANY new liquor-licensed drugstore license if the licensed~~
23 ~~premises for which a liquor-licensed drugstore license is sought is~~
24 ~~located:~~ LICENSES.

25 ~~(A) Within one thousand five hundred feet of a retail liquor store~~
26 ~~licensed under section 44-3-409;~~

1 ~~(B) For a drugstore premises located in a municipality with a~~
2 ~~population of ten thousand or fewer, within three thousand feet of a retail~~
3 ~~liquor store licensed under section 44-3-409; or~~

4 ~~(C) For a drugstore premises located in a municipality with a~~
5 ~~population of ten thousand or fewer that is contiguous to the city and~~
6 ~~county of Denver, within one thousand five hundred feet of a retail liquor~~
7 ~~store licensed under section 44-3-409.~~

8 ~~(b) (f) On or after January 1, 2017, to qualify for an additional~~
9 ~~liquor-licensed drugstore license under this section, a liquor-licensed~~
10 ~~drugstore licensee, or a retail liquor store licensee that was licensed as a~~
11 ~~liquor-licensed drugstore on February 21, 2016, must apply to the state~~
12 ~~and local licensing authorities, as part of a single application, for a~~
13 ~~transfer of ownership of at least two licensed retail liquor stores that were~~
14 ~~licensed or had applied for a license on or before May 1, 2016, a change~~
15 ~~of location of one of the retail liquor stores, and a merger and conversion~~
16 ~~of the retail liquor store licenses into a single liquor-licensed drugstore~~
17 ~~license. The applicant may apply for a transfer, change of location, and~~
18 ~~merger and conversion only if all of the following requirements are met:~~

19 ~~(A) The retail liquor stores that are the subject of the transfer of~~
20 ~~ownership are located within the same local licensing authority~~
21 ~~jurisdiction as the drugstore premises for which the applicant is seeking~~
22 ~~a liquor-licensed drugstore license, and, if any retail liquor stores are~~
23 ~~located within one thousand five hundred feet of the drugstore premises~~
24 ~~or, for a drugstore premises located in a municipality with a population~~
25 ~~of ten thousand or fewer, within three thousand feet of the drugstore~~
26 ~~premises, the applicant applies to transfer ownership of all retail liquor~~
27 ~~stores located within that distance. If there are no licensed retail liquor~~

1 ~~stores or only one licensed retail liquor store within the same local~~
2 ~~licensing authority jurisdiction as the drugstore premises for which a~~
3 ~~liquor-licensed drugstore license is sought, the applicant shall apply to~~
4 ~~transfer ownership of one or two retail liquor stores, as necessary, that are~~
5 ~~located in the local licensing authority jurisdiction that is nearest to the~~
6 ~~jurisdiction in which the drugstore premises is located.~~

7 (B) ~~Upon transfer and conversion of the retail liquor store licenses~~
8 ~~to a single liquor-licensed drugstore license, the drugstore premises for~~
9 ~~which the liquor-licensed drugstore license is sought will be located at~~
10 ~~least one thousand five hundred feet from all licensed retail liquor stores~~
11 ~~that are within the same local licensing authority jurisdiction as the~~
12 ~~drugstore premises or, for a drugstore premises located in a municipality~~
13 ~~with a population of ten thousand or fewer, at least three thousand feet~~
14 ~~from all licensed retail liquor stores that are within the same local~~
15 ~~licensing authority jurisdiction as the drugstore premises.~~

16 (H) ~~For purposes of determining whether the distance~~
17 ~~requirements specified in subsection (1)(b)(I) of this section are satisfied,~~
18 ~~the distance shall be determined by a radius measurement that begins at~~
19 ~~the principal doorway of the drugstore premises for which the application~~
20 ~~is made and ends at the principal doorway of the licensed retail liquor~~
21 ~~store.~~

22 (H) ~~In making its determination on the transfer of ownership,~~
23 ~~change of location, and license merger and conversion application, the~~
24 ~~local licensing authority shall consider the reasonable requirements of the~~
25 ~~neighborhood and the desires of the adult inhabitants in accordance with~~
26 ~~section 44-3-312.~~

27 (IV) ~~In addition to any other requirements for licensure under this~~

1 ~~section or this article 3, a person applying for a new liquor-licensed~~
2 ~~drugstore license in accordance with this subsection (1)(b) on or after~~
3 ~~January 1, 2017, or to renew a liquor-licensed drugstore license issued on~~
4 ~~or after January 1, 2017, under this subsection (1)(b) must:~~

5 ~~(A) Provide evidence to the state and local licensing authorities~~
6 ~~that at least twenty percent of the licensee's gross annual income derived~~
7 ~~from total sales during the prior twelve months at the drugstore premises~~
8 ~~for which a new or renewal licenses is sought is from the sale of food~~
9 ~~items, as defined by the state licensing authority by rule; and~~

10 ~~(B) Make and keep its premises open to the public.~~

11 (2) (a) A person licensed under this section to sell malt, vinous,
12 and spirituous liquors as provided in this section shall:

13 (I) Purchase malt, vinous, and spirituous liquors only from a
14 wholesaler licensed under this article 3 OR FROM A RETAILER LICENSED
15 PURSUANT TO SECTION 44-3-409;

16 (b) A person licensed under this section on or after January 1,
17 2017, shall not purchase malt, vinous, or spirituous liquors from a
18 wholesaler OR RETAILER on credit and shall effect payment upon delivery
19 of the alcohol beverages.

20 (4) (b) An owner, part owner, shareholder, or person interested
21 directly or indirectly in a liquor-licensed drugstore may have an interest
22 in:

23 (IV) For a liquor-licensed drugstore licensed on or before January
24 1, 2016, or a liquor-licensed drugstore licensee that was licensed as a
25 liquor-licensed drugstore on February 21, 2016, that converted its license
26 to a retail liquor store license after February 21, 2016, and that applied on
27 or before May 1, 2017, to convert its retail liquor store license back to a

1 ~~liquor-licensed drugstore license, additional liquor-licensed drugstore~~
2 ~~licenses as follows, but only if obtained in accordance with subsection~~
3 ~~(1)(b) of this section:~~

4 ~~(A) On or after January 1, 2017, and before January 1, 2022, four~~
5 ~~additional liquor-licensed drugstore licenses, for a maximum of five total~~
6 ~~liquor-licensed drugstore licenses;~~

7 ~~(B) On or after January 1, 2022, and before January 1, 2027, up~~
8 ~~to seven additional liquor-licensed drugstore licenses, for a maximum of~~
9 ~~eight total liquor-licensed drugstore licenses;~~

10 ~~(C) On or after January 1, 2027, and before January 1, 2032, up~~
11 ~~to twelve additional liquor-licensed drugstore licenses, for a maximum of~~
12 ~~thirteen total liquor-licensed drugstore licenses;~~

13 ~~(D) On or after January 1, 2032, and before January 1, 2037, up~~
14 ~~to nineteen additional liquor-licensed drugstore licenses, for a maximum~~
15 ~~of twenty total liquor-licensed drugstore licenses; and~~

16 ~~(E) On or after January 1, 2037, an unlimited number of additional~~
17 ~~liquor-licensed drugstore licenses.~~

18 ~~(V) For a liquor-licensed drugstore that submitted an application~~
19 ~~for a new liquor-licensed drugstore license before October 1, 2016,~~
20 ~~additional liquor-licensed drugstore licenses as follows, but only if~~
21 ~~obtained in accordance with subsection (1)(b) of this section:~~

22 ~~(A) On or after January 1, 2019, and before January 1, 2022, four~~
23 ~~additional liquor-licensed drugstore licenses, for a maximum of five total~~
24 ~~liquor-licensed drugstore licenses;~~

25 ~~(B) On or after January 1, 2022, and before January 1, 2027, up~~
26 ~~to seven additional liquor-licensed drugstore licenses, for a maximum of~~
27 ~~eight total liquor-licensed drugstore licenses;~~

1 ~~(C) On or after January 1, 2027, and before January 1, 2032, up~~
2 ~~to twelve additional liquor-licensed drugstore licenses, for a maximum of~~
3 ~~thirteen total liquor-licensed drugstore licenses;~~

4 ~~(D) On or after January 1, 2032, and before January 1, 2037, up~~
5 ~~to nineteen additional liquor-licensed drugstore licenses, for a maximum~~
6 ~~of twenty total liquor-licensed drugstore licenses; and~~

7 ~~(E) On or after January 1, 2037, an unlimited number of additional~~
8 ~~liquor-licensed drugstore licenses.~~

9 ~~(c) Subsection (4)(b)(V) of this section does not apply to a~~
10 ~~liquor-licensed drugstore licensee that was licensed as a liquor-licensed~~
11 ~~drugstore on February 21, 2016, that converted its license to a retail liquor~~
12 ~~store license after February 21, 2016, and that applied on or before May~~
13 ~~1, 2017, to convert its retail liquor store license back to a liquor-licensed~~
14 ~~drugstore license.~~

15 ~~(7) A person licensed under this section that obtains additional~~
16 ~~liquor-licensed drugstore licenses in accordance with subsection~~
17 ~~(4)(b)(IV) or (4)(b)(V) of this section may operate under a single or~~
18 ~~consolidated corporate entity but shall not commingle purchases of or~~
19 ~~credit extensions for purchases of malt, vinous, or spirituous liquors from~~
20 ~~a wholesaler licensed under this article 3 for more than one licensed~~
21 ~~premises. A wholesaler licensed under this article 3 shall not base the~~
22 ~~price for the malt, vinous, or spirituous liquors it sells to a liquor-licensed~~
23 ~~drugstore licensed under this section on the total volume of malt, vinous,~~
24 ~~or spirituous liquors that the licensee purchases for multiple licensed~~
25 ~~premises.~~

26 ~~(8) ON AND AFTER ONE YEAR AFTER THE EFFECTIVE DATE OF THIS~~
27 ~~SECTION, AS AMENDED, THE STATE OR LOCAL LICENSING AUTHORITY~~

1 SHALL NOT ISSUE ANY NEW LIQUOR-LICENSED DRUGSTORE LICENSES. ON
2 AND AFTER ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION, AS
3 AMENDED, THE STATE OR LOCAL LICENSING AUTHORITY MAY RENEW A
4 LIQUOR-LICENSED DRUGSTORE LICENSE ONLY IF THE LICENSEE IS AN
5 INDEPENDENT PHARMACY.

6 (b) THE STATE AND LOCAL LICENSING AUTHORITIES SHALL TREAT
7 ANY PENDING APPLICATION FOR A LIQUOR-LICENSED DRUGSTORE LICENSE
8 OR RENEWAL LICENSE BY A DRUGSTORE THAT IS NOT AN INDEPENDENT
9 PHARMACY AS AN APPLICATION FOR A FERMENTED MALT BEVERAGE AND
10 WINE RETAILER LICENSE OR RENEWAL LICENSE FOR CONSUMPTION OFF THE
11 LICENSED PREMISES ISSUED PURSUANT TO SECTION 44-4-104 (1)(c).

12 (c) ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION, AS
13 AMENDED, EVERY LIQUOR-LICENSED DRUGSTORE LICENSE THAT WAS IN
14 EFFECT ON ONE DAY PRIOR TO ONE YEAR AFTER THE EFFECTIVE DATE OF
15 THIS SECTION, AS AMENDED, AND THAT WAS ISSUED TO A LICENSEE THAT
16 WAS NOT AN INDEPENDENT PHARMACY, AUTOMATICALLY CONVERTS TO A
17 FERMENTED MALT BEVERAGE AND WINE RETAILER LICENSE FOR
18 CONSUMPTION OFF THE LICENSED PREMISES ISSUED PURSUANT TO SECTION
19 44-4-104 (1)(c).

20
21 (d) THE CONVERSION OF A LICENSE ISSUED UNDER THIS SECTION TO
22 A LICENSE ISSUED UNDER SECTION 44-3-409 OR 44-4-104 (1)(c) PURSUANT
23 TO THIS SUBSECTION (8) IS A CONTINUATION OF THE PRIOR LICENSE AND
24 DOES NOT AFFECT:

25 (I) ANY PRIOR DISCIPLINE, LIMITATION, OR CONDITION IMPOSED BY
26 THE STATE LICENSING AUTHORITY ON A LICENSEE;

27 (II) THE DEADLINE FOR RENEWAL OF A LICENSE; OR

1 (III) ANY PENDING OR FUTURE INVESTIGATION OR
2 ADMINISTRATIVE PROCEEDING.

3

4 **SECTION 3.** In Colorado Revised Statutes, 44-4-104, **add (5),**
5 **(6), and (7)** as follows:

6 **44-4-104. Licenses - state license fees - requirements -**
7 **limitations - definition.** (5) A PERSON LICENSED TO SELL FERMENTED
8 MALT BEVERAGES AND WINE UNDER SUBSECTION (1)(c) OF THIS SECTION
9 SHALL NOT PLACE ANY TEMPORARY DISPLAYS OF ALCOHOL BEVERAGES:

10 (a) IMMEDIATELY ADJACENT TO NONALCOHOLIC SOFT DRINKS,
11 FRUIT JUICES, BOTTLED WATER, CANDY, OR TOYS;

12 (b) NEAR AN ENTRY OR EXIT OF THE LICENSED PREMISES; OR

13 (c) OUTSIDE OF THE AREA APPROVED BY THE LOCAL LICENSING
14 AUTHORITY FOR THE DISPLAY OF ALCOHOL BEVERAGES.

15 (6) A PERSON LICENSED PURSUANT TO SUBSECTION (1)(c) OF THIS
16 SECTION SHALL NOT SELL:

17 (a) A FERMENTED MALT BEVERAGE THAT IS GREATER THAN
18 FOURTEEN PERCENT ALCOHOL BY VOLUME; OR

19 (b) WINE THAT IS GREATER THAN TWENTY-ONE PERCENT ALCOHOL
20 BY VOLUME.

21 (7) EXCEPT AS PROVIDED IN SECTION 44-3-407 (5), A PERSON
22 LICENSED PURSUANT TO SUBSECTION (1)(c) OF THIS SECTION SHALL
23 ENSURE THAT ALL WORK PERFORMED ON THE LICENSED PREMISES IN
24 CONNECTION WITH THE HANDLING, SALE, AND DELIVERY OF FERMENTED
25 MALT BEVERAGES AND WINE IS PERFORMED BY AN EMPLOYEE OF THE
26 LICENSEE.

27 **SECTION 4.** In Colorado Revised Statutes, 44-4-107, **amend**

1 (6)(a)(I); and **add** (8) and (9) as follows:

2 **44-4-107. Local licensing authority - application - fees -**
3 **definitions - rules.** (6) (a) A person licensed under subsection (1)(a) of
4 this section who complies with this subsection (6) and rules promulgated
5 under this subsection (6) may deliver fermented malt beverages and wine
6 in sealed containers to a person of legal age if:

7 (I) The person receiving the delivery of fermented malt beverages
8 or wine is located at a place that is not licensed pursuant to ~~this section~~
9 ARTICLE 3 OF THIS TITLE 44 OR THIS ARTICLE 4;

10 (8) A PERSON LICENSED PURSUANT TO SUBSECTION (1)(a) OF THIS
11 SECTION SHALL NOT PLACE ANY TEMPORARY DISPLAYS OF ALCOHOL
12 BEVERAGES:

13 (a) IMMEDIATELY ADJACENT TO NONALCOHOLIC SOFT DRINKS,
14 FRUIT JUICES, BOTTLED WATER, CANDY, OR TOYS;

15 (b) NEAR AN ENTRY OR EXIT OF THE LICENSED PREMISES; OR

16 (c) OUTSIDE OF THE AREA APPROVED BY THE LOCAL LICENSING
17 AUTHORITY FOR THE DISPLAY OF ALCOHOL BEVERAGES.

18 (9) A PERSON LICENSED PURSUANT TO SUBSECTION (1)(a) OF THIS
19 SECTION SHALL NOT SELL:

20 (a) A FERMENTED MALT BEVERAGE THAT IS GREATER THAN
21 FOURTEEN PERCENT ALCOHOL BY VOLUME; OR

22 (b) WINE THAT IS GREATER THAN TWENTY-ONE PERCENT ALCOHOL
23 BY VOLUME.

24 **SECTION 5.** In Colorado Revised Statutes, 44-3-407, **amend** (4);
25 and **add** (5) as follows:

26 **44-3-407. Wholesaler's license - prohibitions - discrimination**
27 **in wholesale sales - legislative intent - labor - enforcement.** (4) (a) A

1 wholesaler shall make available to all retailers licensed pursuant to this
2 article 3 and article 4 of this title 44 in this state without discrimination
3 all malt, vinous, and spirituous liquors offered by the wholesaler for sale
4 at wholesale. A wholesaler shall use its best efforts to make available to
5 licensed retailers each brand of alcohol beverage that the wholesaler has
6 been authorized to distribute. A WHOLESALER MAY OFFER VARIABLE
7 PRICING BASED ON QUANTITIES ORDERED BY A LICENSED RETAILER ON A
8 PER-LICENSED-LOCATION BASIS, INCLUDING MULTIPLE CASE DISCOUNTS.
9 A WHOLESALER SHALL NOT OTHERWISE OFFER MORE FAVORABLE PRICING
10 TO ANY LICENSED RETAILER THAT IS NOT ALSO OFFERED TO EVERY RETAIL
11 LIQUOR STORE LICENSEE. A WHOLESALER SHALL NOT OFFER MORE
12 FAVORABLE PRODUCT AVAILABILITY; RELEVANT INFORMATION
13 REGARDING PRODUCTS THE WHOLESALER OFFERS FOR SALE, INCLUDING
14 VINTAGES AND QUANTITIES ON HAND; DEAL QUANTITIES, FEE STRUCTURES,
15 DISCOUNTS, REBATES, CREDITS, OR ACCESS TO SUPPLIER COUPONS; OR
16 OTHER TERMS OR CONDITIONS OF SALE TO A LICENSED RETAILER THAT ARE
17 NOT ALSO OFFERED TO EVERY RETAIL LIQUOR STORE LICENSEE.

18 (b) (I) Nothing in this section prohibits a wholesaler from
19 establishing reasonable allocation procedures when the anticipated
20 demand for a product is greater than the supply of the product PURSUANT
21 TO THIS SUBSECTION (4)(b).

22 (II) A WHOLESALER SHALL USE REASONABLE, GOOD FAITH,
23 NONDISCRIMINATORY JUDGMENT IN ALLOCATING A LIMITED SUPPLY OF A
24 PRODUCT AMONG THE LICENSED RETAILERS DESIRING TO PURCHASE THE
25 PRODUCT. IN DETERMINING HOW TO ALLOCATE THE PRODUCT, A
26 WHOLESALER MAY TAKE INTO ACCOUNT THE ANNUAL PURCHASE VOLUME
27 OF LICENSED RETAILERS ON A PER-LICENSED-LOCATION BASIS BUT SHALL

1 NOT AGGREGATE THE PURCHASES OF MULTIPLE LOCATIONS LICENSED TO
2 SELL AT RETAIL FOR CONSUMPTION OFF THE LICENSED PREMISES, WHICH
3 LICENSES ARE HELD BY THE SAME OR A RELATED GROUP OF PERSONS.

4 (III) A WHOLESALER SHALL USE REASONABLE, GOOD FAITH
5 EFFORTS TO ACQUIRE FROM ITS SUPPLIERS AS MUCH OF THE PRODUCT IN
6 QUESTION AS NECESSARY TO SUPPLY FERMENTED MALT BEVERAGE AND
7 WINE RETAILERS AND RETAIL LIQUOR STORE LICENSEES DESIRING TO
8 PURCHASE SUCH PRODUCT IN THE AMOUNTS REQUESTED.

9 (IV) A WHOLESALER SHALL NOT INTENTIONALLY LIMIT ITS SUPPLY
10 OR THE AVAILABILITY OF ANY PRODUCT FOR THE PURPOSE OF OR WITH THE
11 RESULT OF A DISCRIMINATORY AMOUNT OF THAT PRODUCT BEING
12 ALLOCATED TO A PARTICULAR RETAILER OR RETAILERS.

13 (c) THE INTENT OF THIS SUBSECTION (4) IS TO:

14 (I) ENSURE THAT RETAILERS LICENSED TO SELL FOR CONSUMPTION
15 OFF THE LICENSED PREMISES WITH MULTIPLE LICENSEES AND MULTIPLE
16 LOCATIONS DO NOT RECEIVE ANY PREFERENTIAL TREATMENT OVER
17 INDEPENDENT, SINGLE LOCATION RETAILERS; AND

18 (II) PROHIBIT A RETAILER LICENSED TO SELL FOR CONSUMPTION
19 OFF THE LICENSED PREMISES FROM MAINTAINING CERTAIN PRODUCTS AS
20 "PRIVATE LABELS" AVAILABLE ONLY AT THE RETAILER'S LOCATION.

21 (d) THE STATE LICENSING AUTHORITY MAY RECOVER THE COST OF
22 ENFORCING THIS SUBSECTION (4) FROM A PERSON FOUND IN VIOLATION OF
23 THIS SUBSECTION (4). MONEY COLLECTED PURSUANT TO THIS SUBSECTION
24 (4)(d) SHALL BE DEPOSITED IN THE LIQUOR ENFORCEMENT DIVISION AND
25 STATE LICENSING AUTHORITY CASH FUND CREATED IN SECTION 44-6-101.

26 (5) A WHOLESALER SHALL NOT PROVIDE ANY LABOR TO OR FOR
27 THE BENEFIT OF A PERSON LICENSED TO SELL FERMENTED MALT

1 BEVERAGES AND WINE PURSUANT TO SECTION 44-4-104 (1)(c) ON THE
2 PERSON'S LICENSED PREMISES BEYOND THE DELIVERY OF PRODUCT FROM
3 THE WHOLESALER'S DELIVERY VEHICLE TO THE NEAREST LOCATION INSIDE
4 THE LICENSED PREMISES THAT DOES NOT BLOCK INGRESS TO OR EGRESS
5 FROM THE LICENSED PREMISES.

6 **SECTION 6.** In Colorado Revised Statutes, **amend** 44-6-101 as
7 follows:

8 **44-6-101. Liquor enforcement division and state licensing**
9 **authority cash fund.** There is hereby created in the state treasury the
10 liquor enforcement division and state licensing authority cash fund. The
11 fund consists of money transferred in accordance with sections **44-3-407**
12 **(4)(d)**, 44-3-502 (1), 44-4-105 (2), and 44-7-104.5 (6). The general
13 assembly shall make annual appropriations from the fund for a portion of
14 the direct and indirect costs of the liquor enforcement division and the
15 state licensing authority in the administration and enforcement of articles
16 3 to 5 and 7 of this title 44. Any money remaining in the fund at the end
17 of each STATE fiscal year remains in the fund and does not revert to the
18 general fund or any other fund. The fund shall be maintained in
19 accordance with section 24-75-402.

20 **SECTION 7.** In Colorado Revised Statutes, 44-3-411, **amend** (2)
21 as follows:

22 **44-3-411. Beer and wine license.** (2) (a) Every person selling
23 malt and vinous liquors as provided in this section shall purchase THE
24 malt and vinous liquors only from a wholesaler licensed pursuant to this
25 article 3 OR FROM A RETAILER LICENSED PURSUANT TO SECTION 44-3-409
26 IN ACCORDANCE WITH SECTION 44-3-409 (3.5); except that, during a
27 calendar year, any A person selling malt and vinous liquors as provided

1 in this section may purchase not more than two thousand dollars' worth
2 of malt and vinous liquors from retailers licensed pursuant to sections
3 ~~44-3-409~~, 44-3-410 and 44-4-104 (1)(c).

4 (b) A beer and wine licensee shall retain evidence of each
5 purchase of malt and vinous liquors from a retailer licensed pursuant to
6 section ~~44-3-409~~, ~~44-3-410~~, or 44-4-104 (1)(c) in the form of a purchase
7 receipt showing the name of the licensed retailer, the date of purchase, a
8 description of the malt or vinous liquor purchased, and the price paid for
9 the ~~purchase~~ MALT AND VINOUS LIQUORS. The ~~beer and wine~~ licensee
10 shall retain the receipt and ~~shall~~ make it available to the state and local
11 licensing authorities at all times during business hours.

12

13 **SECTION 8.** In Colorado Revised Statutes, 44-3-413, **amend** (7)
14 as follows:

15 **44-3-413. Hotel and restaurant license - definitions - rules.**

16 (7) (a) Except as provided in subsection (7)(b) of this section, every
17 person selling alcohol beverages as provided in this section shall purchase
18 THE alcohol beverages only from a wholesaler licensed pursuant to this
19 article 3 OR FROM A RETAILER LICENSED PURSUANT TO SECTION ~~44-3-409~~
20 IN ACCORDANCE WITH SECTION ~~44-3-409~~ (3.5).

21 (b) (I) During a calendar year, a person selling alcohol beverages
22 as provided in this section may purchase not more than two thousand
23 dollars' worth of malt, vinous, and spirituous liquors from retailers
24 licensed pursuant to sections ~~44-3-409~~, 44-3-410 and 44-4-104 (1)(c).

25 (II) A hotel and restaurant licensee shall retain evidence of each
26 purchase of malt, vinous, or spirituous liquors from a retailer licensed
27 pursuant to section ~~44-3-409~~, ~~44-3-410~~, or 44-4-104 (1)(c) in the form of

1 a purchase receipt showing the name of the licensed retailer, the date of
2 purchase, a description of the alcohol beverages purchased, and the price
3 paid for the alcohol beverages. The licensee shall retain the receipt and
4 make it available to the state and local licensing authorities at all times
5 during business hours.

6

7 **SECTION 9.** In Colorado Revised Statutes, 44-3-414, **amend**
8 (2) as follows:

9 **44-3-414. Tavern license.** (2) (a) Every person selling alcohol
10 beverages as provided in this section shall purchase THE alcohol
11 beverages only from a wholesaler licensed pursuant to this article 3 OR
12 FROM A RETAILER LICENSED PURSUANT TO SECTION 44-3-409 IN
13 ACCORDANCE WITH SECTION 44-3-409 (3.5); except that, during a calendar
14 year, a person selling alcohol beverages as provided in this section may
15 purchase not more than two thousand dollars' worth of malt, vinous, and
16 spirituous liquors from retailers licensed pursuant to sections 44-3-409,
17 44-3-410 and 44-4-104 (1)(c).

18 (b) A tavern licensee shall retain evidence of each purchase of
19 malt, vinous, or spirituous liquors from a retailer licensed pursuant to
20 section 44-3-409, 44-3-410, or 44-4-104 (1)(c) in the form of a purchase
21 receipt showing the name of the licensed retailer, the date of purchase, a
22 description of the alcohol beverages purchased, and the price paid for the
23 alcohol beverages. The ~~tavern~~ licensee shall retain the receipt and make
24 it available to the state and local licensing authorities at all times during
25 business hours.

26

27 **SECTION 10.** In Colorado Revised Statutes, 44-3-416, **amend**

1 (2) as follows:

2 **44-3-416. Retail gaming tavern license.** (2) (a) Every person
3 selling alcohol beverages as ~~described~~ PROVIDED in this section shall
4 purchase the alcohol beverages only from a wholesaler licensed pursuant
5 to this article 3 OR FROM A RETAILER LICENSED PURSUANT TO SECTION
6 44-3-409 IN ACCORDANCE WITH SECTION 44-3-409 (3.5); except that,
7 during a calendar year, a person selling alcohol beverages as provided in
8 this section may purchase not more than two thousand dollars' worth of
9 malt, vinous, or spirituous liquors from retailers licensed pursuant to
10 sections ~~44-3-409~~, 44-3-410 and 44-4-104 (1)(c).

11 (b) A retail gaming tavern licensee shall retain evidence of each
12 purchase of malt, vinous, or spirituous liquors from a retailer licensed
13 pursuant to section 44-3-409, 44-3-410, or 44-4-104 (1)(c) in the form of
14 a purchase receipt showing the name of the licensed retailer, the date of
15 purchase, a description of the alcohol beverages purchased, and the price
16 paid for the alcohol beverages. The licensee shall retain the receipt and
17 make it available to the state and local licensing authorities at all times
18 during business hours.

19 **SECTION 11.** In Colorado Revised Statutes, 44-3-417, **amend**
20 (3) as follows:

21 **44-3-417. Brew pub license - definitions - repeal.** (3) (a) Every
22 person selling alcohol beverages ~~pursuant to~~ AS PROVIDED IN this section
23 shall purchase alcohol beverages, other than those that are manufactured
24 at the licensed brew pub, ONLY from a wholesaler licensed pursuant to
25 this article 3 OR FROM A RETAILER LICENSED PURSUANT TO SECTION
26 44-3-409 IN ACCORDANCE WITH SECTION 44-3-409 (3.5); except that,
27

1 during a calendar year, a person selling alcohol beverages as provided in
2 this section may purchase not more than two thousand dollars' worth of
3 malt, vinous, and spirituous liquors from retailers licensed pursuant to
4 sections ~~44-3-409~~, 44-3-410 and 44-4-104 (1)(c).

5 (b) The brew pub licensee shall retain evidence of each purchase
6 of malt, vinous, and spirituous liquors from a retailer licensed pursuant
7 to section 44-3-409, 44-3-410, or 44-4-104 (1)(c) in the form of a
8 purchase receipt showing the name of the licensed retailer, the date of
9 purchase, a description of the alcohol beverages purchased, and the price
10 paid for the alcohol beverages. The licensee shall retain the receipt and
11 make it available to THE state and local licensing authorities at all times
12 during business hours.

13

14 **SECTION 12.** In Colorado Revised Statutes, 44-3-418, **amend**
15 **(2)** as follows:

16 **44-3-418. Club license - legislative declaration.** (2) (a) Every
17 person selling alcohol beverages as provided in this section shall purchase
18 the alcohol beverages only from a wholesaler licensed pursuant to this
19 article 3 OR FROM A RETAILER LICENSED PURSUANT TO SECTION 44-3-409
20 IN ACCORDANCE WITH SECTION 44-3-409 (3.5); except that, during a
21 calendar year, a person selling alcohol beverages as provided in this
22 section may purchase not more than two thousand dollars' worth of malt,
23 vinous, and spirituous liquors from retailers licensed pursuant to sections
24 ~~44-3-409~~, 44-3-410 and 44-4-104 (1)(c).

25 (b) The club licensee shall retain evidence of each purchase of
26 malt, vinous, or spirituous liquors from a retailer licensed pursuant to
27 section 44-3-409, 44-3-410, or 44-4-104 (1)(c) in the form of a purchase

1 receipt showing the name of the licensed retailer, the date of purchase, a
2 description of the alcohol beverages purchased, and the price paid for the
3 alcohol beverages. The licensee shall retain the receipt and make it
4 available to the state and local licensing authorities at all times during
5 business hours.

6

7 **SECTION 13.** In Colorado Revised Statutes, 44-3-419, **amend**
8 (4) as follows:

9 **44-3-419. Arts license - definition.** (4) (a) Every person selling
10 alcohol beverages as provided in this section shall purchase the alcohol
11 beverages only from a wholesaler licensed pursuant to this article 3 OR
12 FROM A RETAILER LICENSED PURSUANT TO SECTION 44-3-409 IN
13 ACCORDANCE WITH SECTION 44-3-409 (3.5); except that, during a calendar
14 year, a person selling alcohol beverages as provided in this section may
15 purchase not more than two thousand dollars' worth of malt, vinous, and
16 spirituous liquors from retailers licensed pursuant to sections 44-3-409,
17 44-3-410 and 44-4-104 (1)(c).

18 (b) An arts licensee shall retain evidence of each purchase of malt,
19 vinous, or spirituous liquors from a retailer licensed pursuant to section
20 44-3-409, 44-3-410, or 44-4-104 (1)(c) in the form of a purchase receipt
21 showing the name of the licensed retailer, the date of purchase, a
22 description of the alcohol beverages purchased, and the price paid for the
23 alcohol beverages. The licensee shall retain the receipt and make it
24 available to the state and local licensing authorities at all times during
25 business hours.

26

27 **SECTION 14.** In Colorado Revised Statutes, 44-3-420, **amend**

1 (2) as follows:

2 **44-3-420. Racetrack license.** (2) (a) Every person selling alcohol
3 beverages as provided in this section shall purchase the alcohol beverages
4 only from a wholesaler licensed pursuant to this article 3 OR FROM A
5 RETAILER LICENSED PURSUANT TO SECTION 44-3-409 IN ACCORDANCE
6 WITH SECTION 44-3-409 (3.5); except that, during a calendar year, a
7 person selling alcohol beverages as provided in this section may purchase
8 not more than two thousand dollars' worth of malt, vinous, and spirituous
9 liquors from retailers licensed pursuant to sections ~~44-3-409~~, 44-3-410
10 and 44-4-104 (1)(c).

11 (b) A racetrack licensee shall retain evidence of each purchase of
12 malt, vinous, or spirituous liquors from a retailer licensed pursuant to
13 section 44-3-409, 44-3-410, or 44-4-104 (1)(c) in the form of a purchase
14 receipt showing the name of the licensed retailer, the date of purchase, a
15 description of the alcohol beverages purchased, and the price paid for the
16 alcohol beverages. The licensee shall retain the receipt and make it
17 available to the state and local licensing authorities at all times during
18 business hours.

19

20 **SECTION 15.** In Colorado Revised Statutes, 44-3-422, **amend**
21 (3) as follows:

22 **44-3-422. Vintner's restaurant license.** (3) (a) Every person
23 selling alcohol beverages ~~pursuant to~~ AS PROVIDED IN this section shall
24 purchase the alcohol beverages, other than those that are manufactured at
25 the licensed vintner's restaurant, ONLY from a wholesaler licensed
26 pursuant to this article 3 OR FROM A RETAILER LICENSED PURSUANT TO
27 SECTION 44-3-409 IN ACCORDANCE WITH SECTION 44-3-409 (3.5); except

1 that, during a calendar year, a person may purchase not more than two
2 thousand dollars' worth of malt, vinous, and spirituous liquors from
3 retailers licensed pursuant to sections ~~44-3-409~~, 44-3-410 and 44-4-104
4 (1)(c).

5 (b) The vintner's restaurant licensee shall retain evidence of each
6 purchase of malt, vinous, and spirituous liquors from a retailer licensed
7 pursuant to section ~~44-3-409~~, ~~44-3-410~~, or 44-4-104 (1)(c) in the form of
8 a purchase receipt showing the name of the licensed retailer, the date of
9 purchase, a description of the alcohol beverages purchased, and the price
10 paid for the alcohol beverages. The licensee shall retain the receipt and
11 make it available to THE state and local licensing authorities at all times
12 during business hours.

13

14 **SECTION 16.** In Colorado Revised Statutes, 44-3-426, **amend**
15 **(4)** as follows:

16 **44-3-426. Distillery pub license - legislative declaration -**
17 **definition.** (4) (a) Except as provided in subsection (4)(b) of this section,
18 every person selling alcohol beverages ~~pursuant to~~ AS PROVIDED IN this
19 section ~~must~~ SHALL purchase alcohol beverages, other than those that are
20 fermented and distilled at the licensed distillery pub, ONLY from a
21 wholesaler licensed pursuant to this article 3 OR FROM A RETAILER
22 LICENSED PURSUANT TO SECTION ~~44-3-409~~ IN ACCORDANCE WITH SECTION
23 ~~44-3-409~~ (3.5).

24 (b) (I) During a calendar year, a person selling alcohol beverages
25 as provided in this section may purchase not more than two thousand
26 dollars' worth of malt, vinous, and spirituous liquors from retailers
27 licensed pursuant to sections ~~44-3-409~~, 44-3-410 and 44-4-104 (1)(c).

1 (II) The distillery pub licensee shall retain evidence of each
2 purchase of malt, vinous, and spirituous liquors from a retailer licensed
3 pursuant to section 44-3-409, 44-3-410, or 44-4-104 (1)(c) in the form of
4 a purchase receipt showing the name of the licensed retailer, the date of
5 purchase, a description of the alcohol beverages purchased, and the price
6 paid for the alcohol beverages. The licensee shall retain the receipt and
7 make it available to THE state and local licensing authorities at all times
8 during business hours.

9
10 **SECTION 17.** In Colorado Revised Statutes, 44-3-428, **amend**
11 **(2)** as follows:

12 **44-3-428. Lodging and entertainment license.** (2) (a) A lodging
13 and entertainment facility licensed to sell alcohol beverages as provided
14 in this section shall purchase THE alcohol beverages only from a
15 wholesaler licensed pursuant to this article 3 OR FROM A RETAILER
16 LICENSED PURSUANT TO SECTION 44-3-409 IN ACCORDANCE WITH SECTION
17 44-3-409 (3.5); except that, during a calendar year, a lodging and
18 entertainment facility licensed to sell alcohol beverages as provided in
19 this section may purchase not more than two thousand dollars' worth of
20 malt, vinous, and spirituous liquors from retailers licensed pursuant to
21 sections ~~44-3-409~~, 44-3-410 and 44-4-104 (1)(c).

22 (b) A lodging and entertainment facility licensee shall retain
23 evidence of each purchase of malt, vinous, or spirituous liquors from a
24 retailer licensed pursuant to section 44-3-409, 44-3-410, or 44-4-104
25 (1)(c) in the form of a purchase receipt showing the name of the licensed
26 retailer, the date of purchase, a description of the alcohol beverages
27 purchased, and the price paid for the alcohol beverages. The ~~lodging and~~

1 ~~entertainment facility~~ licensee shall retain the receipt and make it
2 available to the state and local licensing authorities at all times during
3 business hours.

4

5 **SECTION 18.** In Colorado Revised Statutes, 26-2-104, **amend**
6 (2)(a)(II)(C) and (2)(h)(I)(B) as follows:

7 **26-2-104. Public assistance programs - electronic benefits**
8 **transfer service - joint reports with department of revenue - signs -**
9 **rules.** (2) (a) (II) Only those businesses that offer products or services
10 related to the purpose of the public assistance benefits are allowed to
11 participate in the electronic benefits transfer service through the use of
12 point-of-sale terminals. Clients shall not be allowed to access cash
13 benefits through the electronic benefits transfer service from automated
14 teller machines in this state located in:

15 (C) Retail establishments licensed to sell malt, vinous, or
16 spirituous liquors pursuant to part 3 of article 3 of title 44; except that the
17 prohibition in this subsection (2)(a)(II)(C) does not apply to
18 establishments licensed as liquor-licensed drugstores under section
19 44-3-410 OR FERMENTED MALT BEVERAGE AND WINE RETAILERS AS
20 DEFINED IN SECTION 44-3-103 (18.5);

21 (h) (I) ~~On or before January 1, 2016;~~ The department of revenue
22 shall adopt rules pursuant to the "State Administrative Procedure Act",
23 article 4 of title 24, that relate to a client's use of automated teller
24 machines at locations where the use is prohibited. The rules must apply
25 to the following establishments:

26 (B) Retail establishments licensed to sell malt, vinous, or
27 spirituous liquors pursuant to part 3 of article 3 of title 44, excluding

1 establishments licensed as liquor-licensed drugstores under section
2 44-3-410 AND FERMENTED MALT BEVERAGE AND WINE RETAILERS AS
3 DEFINED IN SECTION 44-3-103 (18.5);

4

5 **SECTION 19.** In Colorado Revised Statutes, 44-3-303, **amend**
6 **(1)(b), (1)(c)(I), and (2); and repeal (1)(c)(II)** as follows:

7 **44-3-303. Transfer of ownership and temporary permits.**

8 (1) (b) When a license has been issued to a ~~husband and wife~~, SPOUSES
9 or to general or limited partners, the death of a spouse or partner shall not
10 require the surviving spouse or partner to obtain a new license. All rights
11 and privileges granted under the original license shall continue in full
12 force and effect as to such survivors for the balance of the license period.

13 ~~(c) (I) Except as provided in subsection (1)(c)(II) of this section,~~
14 For any other transfer of ownership, application must be made to the state
15 and local licensing authorities on forms prepared and furnished by the
16 state licensing authority. In determining whether to permit a transfer of
17 ownership, the licensing authorities shall consider only the requirements
18 of section 44-3-307 and 1 CCR 203-2, rule 47-302, entitled "Changing,
19 Altering, or Modifying Licensed Premises", or any analogous successor
20 rule. The local licensing authority may conduct a hearing on the
21 application for transfer of ownership after providing notice in accordance
22 with subsection (1)(c)(III) of this section. Any transfer of ownership
23 hearing by the state licensing authority must be held in accordance with
24 section 44-3-305 (2).

25 ~~(II) A license merger and conversion as provided for in section~~
26 ~~44-3-410 (1)(b) includes a transfer of ownership of at least two retail~~
27 ~~liquor stores, a change of location of one of the retail liquor stores, and~~

1 a merger and conversion of the retail liquor store licenses into a single
2 liquor-licensed drugstore license, all as part of a single transaction, and
3 the liquor-licensed drugstore applicant need not apply separately for a
4 transfer of ownership under this section. The liquor-licensed drugstore
5 applying for a license merger and conversion pursuant to section
6 44-3-410 (1)(b) is ineligible for a temporary permit pursuant to this
7 section. The local licensing authority shall consider the reasonable
8 requirements of the neighborhood pursuant to section 44-3-312 when
9 making a determination on the merger and conversion of the retail liquor
10 store licenses into a single liquor-licensed drugstore license. The local
11 licensing authority may hold a hearing on the application for the license
12 merger and conversion after providing notice in accordance with
13 subsection (1)(c)(III) of this section.

14 (2) Notwithstanding any provision of this article 3 to the contrary,
15 a local licensing authority may issue a temporary permit to a transferee of
16 any retail class of alcohol beverage license issued by the local licensing
17 authority pursuant to this article 3 or article 4 of this title 44. ~~except that~~
18 ~~a local licensing authority shall not issue a temporary permit to a~~
19 ~~liquor-licensed drugstore that has acquired ownership of licensed retail~~
20 ~~liquor stores in accordance with section 44-3-410 (1)(b).~~ A temporary
21 permit authorizes a transferee to continue selling alcohol beverages as
22 permitted under the permanent license during the period in which an
23 application to transfer the ownership of the license is pending.

24 **SECTION 20.** In Colorado Revised Statutes, 44-3-312, **amend**
25 (2)(a) as follows:

26 **44-3-312. Results of investigation - decision of authorities.**

27 (2) (a) Before entering any decision approving or denying the AN

1 application, the local licensing authority shall consider, except where this
2 article 3 specifically provides otherwise, the facts and evidence adduced
3 as a result of its investigation, as well as any other facts, the reasonable
4 requirements of the neighborhood for the type of license for which
5 application has been made, the desires of the adult inhabitants, the
6 number, type, and availability of alcohol beverage outlets located in or
7 near the neighborhood under consideration, and any other pertinent
8 matters affecting the qualifications of the applicant for the conduct of the
9 type of business proposed; except that the reasonable requirements of the
10 neighborhood shall not be considered in the issuance of a club liquor
11 license. ~~For the merger and conversion of retail liquor store licenses to a~~
12 ~~single liquor-licensed drugstore license in accordance with section~~
13 ~~44-3-410(1)(b), the local licensing authority shall consider the reasonable~~
14 ~~requirements of the neighborhood and the desires of the adult inhabitants~~
15 ~~of the neighborhood.~~

16 **SECTION 21.** In Colorado Revised Statutes, 44-3-409, **amend**
17 **(2)(a)(I) and (3)(a)(I); repeal (5); and add (3.5)** as follows:

18 **44-3-409. Retail liquor store license - rules.** (2) (a) A person
19 licensed under this section to sell malt, vinous, and spirituous liquors in
20 a retail liquor store:

21 (I) Shall purchase the malt, vinous, and spirituous liquors only
22 from a wholesaler licensed pursuant to this article 3 OR FROM A RETAILER
23 LICENSED PURSUANT TO THIS SECTION; and

24 (3) (a) A person licensed to sell at retail who complies with this
25 subsection (3) and rules promulgated pursuant to this subsection (3) may
26 deliver malt, vinous, and spirituous liquors to a person of legal age if:

27 (I) ~~The person receiving the delivery of malt, vinous, or spirituous~~

1 ~~liquors is located at a place that is not~~ TO A PERSON licensed pursuant to
2 this section IS MADE IN ACCORDANCE WITH SUBSECTION (3.5) OF THIS
3 SECTION;

4 (3.5) (a) EFFECTIVE JANUARY 1, 2025, A LICENSEE MAY SELL AND
5 DELIVER ALCOHOL BEVERAGES TO A RETAILER LICENSED UNDER THIS
6 SECTION AND SECTIONS 44-3-411, 44-3-413, 44-3-414, 44-3-416,
7 44-3-417, 44-3-418, 44-3-419, 44-3-420, 44-3-422, 44-3-426, AND
8 44-3-428. A RETAILER SHALL NOT PURCHASE MORE THAN A TOTAL OF SIX
9 GALLONS OF ALCOHOL BEVERAGES PER DAY ACROSS ALL PERSONS
10 LICENSED TO SELL AND DELIVER PURSUANT TO THIS SECTION (3.5).

11 (b) TO SELL AND DELIVER ALCOHOL BEVERAGES TO A RETAILER AS
12 AUTHORIZED UNDER THIS SUBSECTION (3.5), A LICENSEE MUST:

13 (I) HAVE ALL APPLICABLE PERMITS ISSUED UNDER THIS
14 SUBSECTION (3.5) TO SELL ALCOHOL BEVERAGES;

15 (II) SELL OR DELIVER NO MORE THAN SIX GALLONS OF ALCOHOL
16 BEVERAGES PER RETAILER PER DAY;

17 (III) SELL AND DELIVER ONLY TO A RETAILER WITHIN TWENTY-FIVE
18 MILES FROM THE LICENSEE'S LICENSED PREMISES;

19 (IV) SELL AND DELIVER ONLY FROM THE LICENSEE'S LICENSED
20 PREMISES;

21 (V) NOT SELL OR DELIVER MALT LIQUOR IN A BREWERY-SEALED,
22 SINGLE CONTAINER THAT CONTAINS FOUR OR MORE GALLONS OF MALT
23 LIQUOR; AND

24 (VI) ENSURE THAT DELIVERY OF THE ALCOHOL BEVERAGES IS
25 MADE ONLY BY THE LICENSEE OR AN EMPLOYEE OF THE LICENSEE AND
26 ONLY IN A VEHICLE OWNED OR LEASED BY THE LICENSEE THAT DOES NOT
27 EXCEED NINE THOUSAND POUNDS GROSS VEHICLE WEIGHT.

1 (c) (I) (A) THE STATE LICENSING AUTHORITY SHALL PROMULGATE
2 RULES NECESSARY TO ENFORCE THIS SUBSECTION (3.5), INCLUDING
3 CREATING A PERMIT FOR THE SALE AND DELIVERY OF ALCOHOL
4 BEVERAGES BY A RETAIL LIQUOR STORE TO RETAILERS, SETTING FEES FOR
5 THE PROCESSING AND APPROVAL OF A RETAILER SALE AND DELIVERY
6 PERMIT APPLICATION, AND ANY OTHER MATTER NECESSARY FOR THE SAFE
7 AND EFFECTIVE IMPLEMENTATION OF THIS SECTION.

8 (B) IN PROMULGATING THE RULES PURSUANT TO SUBSECTION
9 (3.5)(c)(I)(A) OF THIS SECTION, THE STATE LICENSING AUTHORITY SHALL
10 ENGAGE WITH AND SEEK INPUT FROM VARIOUS ALCOHOL INDUSTRY
11 STAKEHOLDERS.

12 (II) THE STATE LICENSING AUTHORITY SHALL ISSUE A PERMIT TO
13 A LICENSEE TO SELL ALCOHOL BEVERAGES TO ANOTHER RETAILER IF THE
14 LICENSEE DEMONSTRATES THE ABILITY TO COMPLY WITH THIS SECTION. A
15 PERMIT ISSUED UNDER THIS SUBSECTION (3.5)(c) IS SUBJECT TO THE
16 SUSPENSION AND REVOCATION PROVISIONS SET FORTH IN SECTION
17 44-3-601.

18 (d) (I) A LOCAL LICENSING AUTHORITY MAY CREATE A PERMIT FOR
19 THE SALE AND DELIVERY OF ALCOHOL BEVERAGES TO RETAILERS
20 PURSUANT TO THIS SUBSECTION (3.5). IF A LOCAL LICENSING AUTHORITY
21 DOES NOT CREATE A PERMIT UNDER THIS SUBSECTION (3.5)(d), A LICENSEE
22 NEED NOT OBTAIN A LOCAL PERMIT TO SELL AND DELIVER ALCOHOL
23 BEVERAGES PURSUANT TO THIS SUBSECTION (3.5).

24 (II) A LOCAL LICENSING AUTHORITY MAY ESTABLISH FEES FOR THE
25 PROCESSING AND APPROVAL OF A SALE AND DELIVERY PERMIT
26 APPLICATION, BUT THE AMOUNT OF THE FEES MUST NOT EXCEED THE
27 AMOUNT OF THE FEES SET BY THE STATE LICENSING AUTHORITY UNDER

1 SUBSECTION (3.5)(c)(I) OF THIS SECTION.

2 (III) IF A LOCAL LICENSING AUTHORITY CREATES A RETAIL SALE
3 AND DELIVERY PERMIT:

4 (A) A LICENSEE MUST OBTAIN THE PERMIT TO SELL AND DELIVER
5 ALCOHOL BEVERAGES AS AUTHORIZED UNDER THIS SUBSECTION (3.5); AND

6 (B) THE LOCAL LICENSING AUTHORITY SHALL ISSUE A PERMIT TO
7 A LICENSEE TO SELL AND DELIVER ALCOHOL BEVERAGES IF THE LICENSEE
8 DEMONSTRATES THE ABILITY TO COMPLY WITH THIS SECTION.

9 (IV) A PERMIT ISSUED UNDER THIS SUBSECTION (3.5)(d) IS SUBJECT
10 TO THE SUSPENSION AND REVOCATION PROVISIONS SET FORTH IN SECTION
11 44-3-601.

12 (V) A MANUFACTURER LICENSED UNDER SECTION 44-3-402 THAT
13 OPERATES A SALES ROOM OR A WHOLESALER LICENSED UNDER SECTION
14 44-3-407 THAT OPERATES A SALES ROOM NEED NOT OBTAIN A PERMIT
15 FROM A LOCAL LICENSING AUTHORITY TO SELL AND DELIVER AN ALCOHOL
16 BEVERAGE OR TO ALLOW A CUSTOMER TO REMOVE AN ALCOHOL
17 BEVERAGE FROM THE LICENSED PREMISES.

18 (e) A LICENSEE SHALL SUBMIT AN APPLICATION FOR A PERMIT
19 ISSUED UNDER THIS SECTION TO THE STATE LICENSING AUTHORITY AND
20 THE LOCAL LICENSING AUTHORITY, IF APPLICABLE, SIMULTANEOUSLY.
21 APPROVAL BY EITHER THE STATE LICENSING AUTHORITY OR A LOCAL
22 LICENSING AUTHORITY DOES NOT GUARANTEE APPROVAL BY THE OTHER
23 LICENSING AUTHORITY.

24 ~~(5) A liquor-licensed drugstore may apply to the state and local~~
25 ~~licensing authorities, as part of a single application, for a merger and~~
26 ~~conversion of retail liquor store licenses to a single liquor-licensed~~
27 ~~drugstore license as provided in section 44-3-410 (1)(b).~~

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SECTION 22. In Colorado Revised Statutes, 44-3-501, **repeal** (3)(a)(XVI) as follows:

44-3-501. State fees - rules. (3) (a) The state licensing authority shall establish fees for processing the following types of applications, notices, or reports required to be submitted to the state licensing authority:

~~(XVI) Applications for transfer of ownership, change of location, and license merger and conversion pursuant to section 44-3-410 (1)(b);~~

SECTION 23. In Colorado Revised Statutes, 44-3-505, **amend** (1) introductory portion; and **repeal** 4(a)(V) as follows:

44-3-505. Local license fees. (1) The applicant shall pay the following license fees to the treasurer of the ~~municipality~~ CITY, city and county, or county where the licensed premises is located annually in advance:

(4) (a) Each application for a license provided for in this article 3 and article 4 of this title 44 filed with a local licensing authority must be accompanied by an application fee in an amount determined by the local licensing authority to cover actual and necessary expenses, subject to the following limitations:

~~(V) For a transfer of ownership, change of location, and license merger and conversion pursuant to section 44-3-410 (1)(b), not to exceed one thousand dollars.~~

SECTION 24. In Colorado Revised Statutes, 44-3-901, **amend** (1)(g), (6)(k)(I), and (6)(k)(V) as follows:

1 **44-3-901. Unlawful acts - exceptions - definitions.** (1) Except
2 as provided in section 18-13-122, it is unlawful for any person:

3 (g) To sell at retail any malt, vinous, or spirituous liquors in sealed
4 containers without holding a retail liquor store or liquor-licensed
5 drugstore license, except as permitted by section 44-3-107 (2) or 44-3-301
6 (6)(b) or any other provision of this article 3, or ~~to sell at retail any~~
7 ~~fermented malt beverages in sealed containers without holding a~~
8 ~~fermented malt beverage retailer's license under section 44-4-104 (1)(c)~~
9 ~~or to sell at retail any fermented malt beverages and wine in sealed~~
10 containers without holding a fermented malt beverage and wine retailer's
11 license under section ~~44-4-104 (1)(c)~~ OR 44-4-107 (1)(a);

12 ■ ■

13 (6) It is unlawful for any person licensed to sell at retail pursuant
14 to this article 3 or article 4 of this title 44:

15 ■

16 (k) (I) Except as provided in subsections (6)(k)(II), (6)(k)(IV), and
17 (6)(k)(V) of this section, to have on the licensed premises, if licensed as
18 a retail liquor store, liquor-licensed drugstore, ~~fermented malt beverage~~
19 ~~retailer~~, or fermented malt beverage and wine retailer, any container that
20 shows evidence of having once been opened or that contains a volume of
21 liquor less than that specified on the label of the container;

22 ■ ■

23 (V) A person holding a retail liquor store or liquor-licensed
24 drugstore license under this article 3 or a fermented malt beverage and
25 wine retailer's license under section 44-4-107 (1)(a) may have upon the
26 licensed premises an open container of an alcohol beverage product that
27 the licensee discovers to be damaged or defective so long as the licensee

1 marks the product as damaged or for return and stores the open container
2 outside the sales area of the licensed premises until the licensee is able to
3 return the product to the wholesaler OR RETAILER from whom the product
4 was purchased.

5



6 **SECTION 25. Act subject to petition - effective date.** This act
7 takes effect at 12:01 a.m. on the day following the expiration of the
8 ninety-day period after final adjournment of the general assembly; except
9 that, if a referendum petition is filed pursuant to section 1 (3) of article V
10 of the state constitution against this act or an item, section, or part of this
11 act within such period, then the act, item, section, or part will not take
12 effect unless approved by the people at the general election to be held in
13 November 2024 and, in such case, will take effect on the date of the
14 official declaration of the vote thereon by the governor.