

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Business Affairs & Labor.

HB24-1373 be amended as follows:

1 Amend printed bill, page 2, strike line 2.

2 Page 3, strike lines 1 through 6 and substitute:

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

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

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

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

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

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

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

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

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

35 (b) ~~(I) On or after January 1, 2017, to qualify for an additional~~
36 ~~liquor-licensed drugstore license under this section, a liquor-licensed~~
37 ~~drugstore licensee, or a retail liquor store licensee that was licensed as a~~
38 ~~liquor-licensed drugstore on February 21, 2016, must apply to the state~~

1 and local licensing authorities, as part of a single application, for a
2 transfer of ownership of at least two licensed retail liquor stores that were
3 licensed or had applied for a license on or before May 1, 2016, a change
4 of location of one of the retail liquor stores, and a merger and conversion
5 of the retail liquor store licenses into a single liquor-licensed drugstore
6 license. The applicant may apply for a transfer, change of location, and
7 merger and conversion only if all of the following requirements are met:

8 (A) The retail liquor stores that are the subject of the transfer of
9 ownership are located within the same local licensing authority
10 jurisdiction as the drugstore premises for which the applicant is seeking
11 a liquor-licensed drugstore license, and, if any retail liquor stores are
12 located within one thousand five hundred feet of the drugstore premises
13 or, for a drugstore premises located in a municipality with a population
14 of ten thousand or fewer, within three thousand feet of the drugstore
15 premises, the applicant applies to transfer ownership of all retail liquor
16 stores located within that distance. If there are no licensed retail liquor
17 stores or only one licensed retail liquor store within the same local
18 licensing authority jurisdiction as the drugstore premises for which a
19 liquor-licensed drugstore license is sought, the applicant shall apply to
20 transfer ownership of one or two retail liquor stores, as necessary, that are
21 located in the local licensing authority jurisdiction that is nearest to the
22 jurisdiction in which the drugstore premises is located.

23 (B) Upon transfer and conversion of the retail liquor store licenses
24 to a single liquor-licensed drugstore license, the drugstore premises for
25 which the liquor-licensed drugstore license is sought will be located at
26 least one thousand five hundred feet from all licensed retail liquor stores
27 that are within the same local licensing authority jurisdiction as the
28 drugstore premises or, for a drugstore premises located in a municipality
29 with a population of ten thousand or fewer, at least three thousand feet
30 from all licensed retail liquor stores that are within the same local
31 licensing authority jurisdiction as the drugstore premises.

32 (II) For purposes of determining whether the distance
33 requirements specified in subsection (1)(b)(I) of this section are satisfied,
34 the distance shall be determined by a radius measurement that begins at
35 the principal doorway of the drugstore premises for which the application
36 is made and ends at the principal doorway of the licensed retail liquor
37 store.

38 (III) In making its determination on the transfer of ownership,
39 change of location, and license merger and conversion application, the
40 local licensing authority shall consider the reasonable requirements of the
41 neighborhood and the desires of the adult inhabitants in accordance with
42 section 44-3-312.

43 (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
28 liquor-licensed drugstore license, additional liquor-licensed drugstore
29 licenses as follows, but only if obtained in accordance with subsection
30 (1)(b) of this section:

31 (A) On or after January 1, 2017, and before January 1, 2022, four
32 additional liquor-licensed drugstore licenses, for a maximum of five total
33 liquor-licensed drugstore licenses;

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

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

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

43 (E) On or after January 1, 2037, an unlimited number of additional

1 liquor-licensed drugstore licenses.

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

6 (A) On or after January 1, 2019, and before January 1, 2022, four
7 additional liquor-licensed drugstore licenses, for a maximum of five total
8 liquor-licensed drugstore licenses;

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

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

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

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

20 (c) Subsection (4)(b)(V) of this section does not apply to a
21 liquor-licensed drugstore licensee that was licensed as a liquor-licensed
22 drugstore on February 21, 2016, that converted its license to a retail liquor
23 store license after February 21, 2016, and that applied on or before May
24 1, 2017, to convert its retail liquor store license back to a liquor-licensed
25 drugstore license.

26 (7) A person licensed under this section that obtains additional
27 liquor-licensed drugstore licenses in accordance with subsection
28 (4)(b)(IV) or (4)(b)(V) of this section may operate under a single or
29 consolidated corporate entity but shall not commingle purchases of or
30 credit extensions for purchases of malt, vinous, or spirituous liquors from
31 a wholesaler licensed under this article 3 for more than one licensed
32 premises. A wholesaler licensed under this article 3 shall not base the
33 price for the malt, vinous, or spirituous liquors it sells to a liquor-licensed
34 drugstore licensed under this section on the total volume of malt, vinous,
35 or spirituous liquors that the licensee purchases for multiple licensed
36 premises.

37 (8) (a) ON AND AFTER JANUARY".

38 Page 3, strike line 8 and substitute "ANY NEW LIQUOR-LICENSED
39 DRUGSTORE LICENSES. ON AND AFTER JANUARY 1, 2025, THE STATE OR
40 LOCAL LICENSING AUTHORITY MAY RENEW A LIQUOR-LICENSED
41 DRUGSTORE LICENSE ONLY IF THE LICENSEE IS AN INDEPENDENT
42 PHARMACY.".

1 Page 3, line 11, after "LICENSE" insert "BY A DRUGSTORE THAT IS NOT AN
2 INDEPENDENT PHARMACY".

3 Page 3, strike lines 15 through 17 and substitute:

4 "(c) ON JANUARY 1, 2025, EVERY LIQUOR-LICENSED DRUGSTORE
5 LICENSE THAT WAS IN EFFECT ON DECEMBER 31, 2024, AND THAT WAS
6 ISSUED TO A LICENSEE THAT WAS NOT AN INDEPENDENT PHARMACY,
7 AUTOMATICALLY".

8 Page 3, strike lines 21 through 26.

9 Page 4, strike line 9.

10 Page 8, lines 2 and 3, strike "(2); and **add** (2.5)" and substitute "(2)".

11 Page 8, line 4, strike "**license - repeal.**" and substitute "**license.**".

12 Page 8, strike lines 20 through 27.

13 Page 9, strike lines 1 through 11.

14 Page 9, lines 12 and 13, strike "(7); and **add** (7.5)" and substitute "(7)".

15 Page 9, lines 14 and 15, strike "**rules - repeal.**" and substitute "**rules.**".

16 Page 10, strike lines 5 through 26.

17 Page 10, line 27, strike "(2);".

18 Page 11, line 1, strike "and **add** (2.5)" and substitute "(2)".

19 Page 11, line 2, strike "**license - repeal.**" and substitute "**license.**".

20 Page 11, strike lines 18 through 27.

21 Page 12, strike lines 1 through 10.

22 Page 12, strike line 12 and substitute "(2) as follows:".

23 Page 12, line 13, strike "**license - repeal.**" and substitute "**license.**".

24 Page 13, strike lines 3 through 22.

- 1 Page 13, strike line 24 and substitute "(3) as follows:".
- 2 Page 14, strike lines 16 through 27.
- 3 Page 15, strike lines 1 through 9.
- 4 Page 15, strike line 11 and substitute "(2) as follows:".
- 5 Page 15, line 12, strike "**declaration - repeal.**" and substitute "**declaration.**".
- 6
- 7 Page 16, strike lines 2 through 21.
- 8 Page 16, strike line 23 and substitute "(4) as follows:".
- 9 Page 16, line 24, strike "**definition - repeal.**" and substitute "**definition.**".
- 10 Page 17, strike lines 13 through 27.
- 11 Page 18, strike line 1 through 5.
- 12 Page 18, strike line 7 and substitute "(2) as follows:".
- 13 Page 18, line 8, strike "**license - repeal.**" and substitute "**license.**".
- 14 Page 18, strike lines 24 through 27.
- 15 Page 19, strike lines 1 through 16.
- 16 Page 19, strike line 18 and substitute "(3) as follows:".
- 17 Page 19, line 19, strike "**license - repeal.**" and substitute "**license.**".
- 18 Page 20, strike lines 9 through 27.
- 19 Page 21, strike line 1.
- 20 Page 21, strike line 3 and substitute "(4) as follows:".
- 21 Page 21, line 5, strike "**definition - repeal.**" and substitute "**definition.**".
- 22 Page 21, strike lines 23 through 27.

- 1 Page 22, strike lines 1 through 16.
- 2 Page 22, strike line 18 and substitute "(2) as follows:".
- 3 Page 22, line 19, strike "**license - repeal.**" and substitute "**license.**".
- 4 Page 23, strike lines 11 through 27.
- 5 Page 24, strike lines 1 through 4.
- 6 Page 24, lines 18 and 19, strike "~~liquor-licensed drugstores under section 44-3-410~~" and substitute "liquor-licensed drugstores under section 44-3-410 OR".
- 9 Page 24, strike line 21 and substitute:
 - 10 "(h)(I) ~~On or before January 1, 2016, The department of revenue~~".
 - 11 Page 25, lines 1 and 2, strike "~~liquor-licensed drugstores under section 44-3-410~~" and substitute "liquor-licensed drugstores under section 44-3-410 AND".
 - 14 Page 25, strike lines 4 through 27.
 - 15 Page 26, strike lines 1 through 8.
 - 16 Renumber succeeding sections accordingly.
 - 17 Page 26, line 10, strike "(1)(b) and (1)(c)(I); and substitute "(1)(b), (1)(c)(I), and (2);".
 - 19 Page 27, after line 17 insert:
 - 20 "(2) Notwithstanding any provision of this article 3 to the contrary, a local licensing authority may issue a temporary permit to a transferee of any retail class of alcohol beverage license issued by the local licensing authority pursuant to this article 3 or article 4 of this title 44. ~~except that a local licensing authority shall not issue a temporary permit to a liquor-licensed drugstore that has acquired ownership of licensed retail liquor stores in accordance with section 44-3-410 (1)(b).~~ A temporary permit authorizes a transferee to continue selling alcohol beverages as permitted under the permanent license during the period in which an application to transfer the ownership of the license is pending.".

- 1 Page 28, line 11, strike "(1)(a) and".
- 2 Page 28 strike lines 12 through 27.
- 3 Page 29, strike lines 1 through 6 and substitute:
 - 4 **"44-3-409. Retail liquor store license - rules.** (2) (a) A person licensed under this section to sell malt, vinous,".
- 6 Page 29, strike lines 20 through 27.
- 7 Page 30, strike lines 1 through 4.
- 8 Page 30, strike lines 6 through 12 and substitute "(3)(a)(XVI) as follows:
 - 9 **44-3-501. State fees - rules.** (3) (a) The state licensing authority shall establish fees for".
- 11 Page 30, strike lines 17 and 18.
- 12 Page 30, line 20, strike "(1)(b) and".
- 13 Page 30, strike lines 25 through 27.
- 14 Page 31, strike lines 1 through 3.
- 15 Page 31, strike lines 13 and 14 and substitute "(1)(g), (6)(k)(I), and (6)(k)(V) as follows:".
- 17 Page 31, lines 18 and 19, strike "~~or liquor-licensed drugstore~~" and substitute "or liquor-licensed drugstore".
- 19 Page 31, strike lines 26 and 27.
- 20 Page 32, strike lines 1 through 5.
- 21 Page 32, strike lines 8 through 13.
- 22 Page 32, line 16, strike "~~store liquor-licensed drugstore,~~" and substitute "store, liquor-licensed drugstore,".
- 24 Page 32, strike lines 20 through 27.
- 25 Page 33, strike lines 1 through 16.

1 Page 33, lines 17 and 18, strike "~~or liquor-licensed drugstore~~" and
2 substitute "or liquor-licensed drugstore".

3 Page 33, strike lines 26 and 27.

4 Page 34, strike lines 1 through 23.

5 Page 1, strike lines 102 and 103 and substitute "**IN CONNECTION**
6 **THEREWITH, CONVERTING CERTAIN LIQUOR-LICENSED DRUGSTORE**
7 **LICENSES TO FERMENTED MALT BEVERAGE AND WINE RETAILER**
8 **LICENSES, UPDATING THE**".

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