

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

April 11, 2024
Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB24-1373 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

- 1 Amend the Business Affairs and Labor Committee Report, dated April 4,
2 2024, page 1, line 2, strike "6" and substitute "7".

- 3 Page 5 of the report, strike line 6 and substitute:
4 "(8) ON AND AFTER ONE YEAR AFTER THE EFFECTIVE DATE OF THIS
5 SECTION, AS AMENDED, THE STATE OR LOCAL LICENSING AUTHORITY
6 SHALL NOT ISSUE".

- 7 Page 5 of the report, line 8, strike "JANUARY 1, 2025," and substitute "ONE
8 YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION, AS AMENDED,".

- 9 Page 5 of the report, line 15, strike "ON JANUARY 1, 2025," and substitute
10 "ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION, AS AMENDED,".

- 11 Page 5 of the report, line 16, strike "DECEMBER 31, 2024," and substitute
12 "ONE DAY PRIOR TO ONE YEAR AFTER THE EFFECTIVE DATE OF THIS
13 SECTION, AS AMENDED,".

- 14 Page 6 of the report, line 1, strike "SEVENTEEN" and substitute
15 "TWENTY-ONE".

- 16 Page 6 of the report, line 20, strike "SEVENTEEN" and substitute
17 "TWENTY-ONE".

- 18 Amend printed bill, page 28, line 11, strike "(2)(a)(I); and **repeal** (3)(a)(I)
19 and (5)" and substitute "(2)(a)(I) and (3)(a)(I); **repeal** (5); and **add** (3.5)".
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- 21 Page 29 of the bill, strike lines 14 and 15 and substitute:

1 "(I) The ~~person receiving the~~ delivery of malt, vinous, or
2 spirituous liquors ~~is located at a place that is not~~ TO A PERSON licensed
3 pursuant to this section IS MADE IN ACCORDANCE WITH SUBSECTION (3.5)
4 OF THIS SECTION;

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

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

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

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

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

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

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

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

29 (c) (I) (A) THE STATE LICENSING AUTHORITY SHALL PROMULGATE
30 RULES NECESSARY TO ENFORCE THIS SUBSECTION (3.5), INCLUDING
31 CREATING A PERMIT FOR THE SALE AND DELIVERY OF ALCOHOL
32 BEVERAGES BY A RETAIL LIQUOR STORE TO RETAILERS, SETTING FEES FOR
33 THE PROCESSING AND APPROVAL OF A RETAILER SALE AND DELIVERY
34 PERMIT APPLICATION, AND ANY OTHER MATTER NECESSARY FOR THE SAFE
35 AND EFFECTIVE IMPLEMENTATION OF THIS SECTION.

36 (B) IN PROMULGATING THE RULES PURSUANT TO SUBSECTION
37 (3.5)(c)(I)(A) OF THIS SECTION, THE STATE LICENSING AUTHORITY SHALL
38 ENGAGE WITH AND SEEK INPUT FROM VARIOUS ALCOHOL INDUSTRY
39 STAKEHOLDERS.

40 (II) THE STATE LICENSING AUTHORITY SHALL ISSUE A PERMIT TO
41 A LICENSEE TO SELL ALCOHOL BEVERAGES TO ANOTHER RETAILER IF THE
42 LICENSEE DEMONSTRATES THE ABILITY TO COMPLY WITH THIS SECTION. A
43 PERMIT ISSUED UNDER THIS SUBSECTION (3.5)(c) IS SUBJECT TO THE

1 SUSPENSION AND REVOCATION PROVISIONS SET FORTH IN SECTION
2 44-3-601.

3 (d) (I) A LOCAL LICENSING AUTHORITY MAY CREATE A PERMIT FOR
4 THE SALE AND DELIVERY OF ALCOHOL BEVERAGES TO RETAILERS
5 PURSUANT TO THIS SUBSECTION (3.5). IF A LOCAL LICENSING AUTHORITY
6 DOES NOT CREATE A PERMIT UNDER THIS SUBSECTION (3.5)(d), A LICENSEE
7 NEED NOT OBTAIN A LOCAL PERMIT TO SELL AND DELIVER ALCOHOL
8 BEVERAGES PURSUANT TO THIS SUBSECTION (3.5).

9 (II) A LOCAL LICENSING AUTHORITY MAY ESTABLISH FEES FOR THE
10 PROCESSING AND APPROVAL OF A SALE AND DELIVERY PERMIT
11 APPLICATION, BUT THE AMOUNT OF THE FEES MUST NOT EXCEED THE
12 AMOUNT OF THE FEES SET BY THE STATE LICENSING AUTHORITY UNDER
13 SUBSECTION (3.5)(c)(I) OF THIS SECTION.

14 (III) IF A LOCAL LICENSING AUTHORITY CREATES A RETAIL SALE
15 AND DELIVERY PERMIT:

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

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

21 (IV) A PERMIT ISSUED UNDER THIS SUBSECTION (3.5)(d) IS SUBJECT
22 TO THE SUSPENSION AND REVOCATION PROVISIONS SET FORTH IN SECTION
23 44-3-601.

24 (V) A MANUFACTURER LICENSED UNDER SECTION 44-3-402 THAT
25 OPERATES A SALES ROOM OR A WHOLESALER LICENSED UNDER SECTION
26 44-3-407 THAT OPERATES A SALES ROOM NEED NOT OBTAIN A PERMIT
27 FROM A LOCAL LICENSING AUTHORITY TO SELL AND DELIVER AN ALCOHOL
28 BEVERAGE OR TO ALLOW A CUSTOMER TO REMOVE AN ALCOHOL
29 BEVERAGE FROM THE LICENSED PREMISES.

30 (e) A LICENSEE SHALL SUBMIT AN APPLICATION FOR A PERMIT
31 ISSUED UNDER THIS SECTION TO THE STATE LICENSING AUTHORITY AND
32 THE LOCAL LICENSING AUTHORITY, IF APPLICABLE, SIMULTANEOUSLY.
33 APPROVAL BY EITHER THE STATE LICENSING AUTHORITY OR A LOCAL
34 LICENSING AUTHORITY DOES NOT GUARANTEE APPROVAL BY THE OTHER
35 LICENSING AUTHORITY."

36 Strike "44-3-409" and substitute "44-3-409 IN ACCORDANCE WITH
37 SECTION 44-3-409 (3.5)" on " **Page 8**, line 8; **Page 9**, line 19; **Page 11**, line
38 5; **Page 12**, line 17; **Page 14**, line 3; **Page 15**, line 16; **Page 16**, line 27;
39 **Page 18**, line 11; **Page 19**, line 24; **Page 21**, line 10; and **Page 22**, line
40 23.

41 Strike "~~44-3-409~~, 44-3-410" and substitute "44-3-409, 44-3-410," on:

1 **Page 8**, line 14; **Page 9**, line 26; **Page 11**, line 12; **Page 12**, line 24; **Page**
2 **14**, line 10; **Page 15**, line 23; **Page 17**, line 7; **Page 18**, line 18; **Page 20**,
3 line 3; **Page 21**, line 17; and **Page 23**, line 4.

4 Page 1 of the bill, line 104, strike "**REMOVING**" and substitute
5 "**ADJUSTING**".

6 Page 11 of the report, line 8, strike "**SEVENTEEN**" and substitute
7 "**TWENTY-ONE**".

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