



November 8, 2022 General Election

Ballot Issue:	Proposition #124 (Retail Liquor Store Licenses Initiative)
Ballot Question	<p><i>“Shall there be a change to the Colorado Revised Statutes concerning increasing the number of retail liquor store licenses in which a person may hold an interest, and, in connection therewith, phasing in the increase by allowing up to 8 licenses by December 31, 2026, up to 13 licenses by December 31, 2031, up to 20 licenses by December 31, 2036, and an unlimited number of licenses on or after January 1, 2037?”</i></p> <p>Full text of the Proposition can be found here.</p>
Timeline	<ul style="list-style-type: none"> • Robert Schraeder and Joel Allen Cathey filed the initiative on April 8, 2022. It was approved for signature gathering on June 7, 2022, with signatures due by August 8, 2022. • Proponents submitted signatures for the measure on August 4, 2022. • On August 26, 2022, the Colorado Secretary of State announced that the initiative qualified for the ballot. Proponents submitted 225,440 signatures and 149,799 were projected to be valid.
Chamber Position	Opposed
Some Basics	<p>Currently, retailers can open a maximum of three liquor stores in Colorado.</p> <p>Proposition 124 would incrementally increase the number of retail liquor store licenses an individual may own or hold a share in, as follows:^[1]</p> <ul style="list-style-type: none"> • up to eight licenses by December 31, 2026; • up to 13 licenses by December 31, 2031; • up to 20 licenses by December 31, 2036; and • an unlimited number of licenses on or after January 1, 2037. <p>The Colorado Liquor Enforcement Division of the Department of Revenue oversees Colorado liquor licensing and compliance with state liquor laws. The state licensing authority is responsible for processing liquor licenses and determining rules for regulating the manufacture, distribution, and sale of alcohol.</p> <p>As of 2022, Colorado had three alcohol licenses:</p> <ul style="list-style-type: none"> • RLS: retail liquor store (RLS) licenses as licensed under the Colorado Liquor Code for retailers to sell malt liquor (beer), wine, and spirits; • FMB: fermented malt beverage (FMB) off-premises retailers licenses as

	<p>licensed under the Colorado Beer Code for retailers (including grocery stores and convenience stores) to sell fermented malt beverages (beer); and</p> <ul style="list-style-type: none"> • LLD: liquor-licensed drugstore (LLD) licenses as licensed under the Colorado Liquor Code for pharmacies to sell beer, wine, and spirits. <p>Retailers are allowed to deliver alcohol using a store-owned vehicle by an employee who is at least 21 years old.</p> <p>RLSs and LLDs are allowed to offer tastings on the premises if approved by the local government and the local licensing authority.</p> <p>As of 2022, distancing requirements do not allow new RLS locations to be within 1,500 feet of another RLS or LLD, or within 3,000 feet of another RLS or LLD if in a city with a population of 10,000 or fewer. New LLD locations may not be within 1,500 feet of another RLS, or within 3,000 feet of another RLS if in a city with a population of 10,000 or fewer.</p>
Arguments in support of the proposal	<ul style="list-style-type: none"> • Expanding the footprint of large retailers within the retail marketplace will help lower costs and increase convenience for consumers.
Arguments against the proposal	<ul style="list-style-type: none"> • Colorado enjoys a reputation for supporting small business owners that are more responsive to the local market and highly supportive of local breweries, distilleries and wineries that generate and spend sales proceeds locally. • Over 60% of Colorado liquor stores are owned by minorities and women. Permitting the expansion of corporate licenses will jeopardize opportunities for under-represented entrepreneurs while depriving local communities of the variety and unique character of these businesses.
Other Considerations	Three related propositions will appear on the November ballot.
Where We Stand (NCLA)	N/A