

# Initiative 121: Allow Grocery and Convenience Stores to Sell Wine

*Placed on the ballot by citizen initiative • Passes with a majority vote*

1 **Proposition ? proposes amending the Colorado statutes to:**

- 2 • allow grocery stores and convenience stores that sell beer to also sell wine, by  
3 automatically converting beer retail licenses to beer and wine retail licenses,  
4 beginning March 2023.

5 **What Your Vote Means**

**YES**

6 A “yes” vote on  
7 Proposition ? allows

8 licensed grocery and convenience stores  
9 that currently sell beer to also sell wine.

**NO**

A “no” vote on Proposition ?  
means that licensed grocery and  
convenience stores will continue selling  
beer, but not wine.

1 **Summary and Analysis for Proposition ?**

2 **What does this measure do?**

3 Under the measure, all fermented malt beverage (beer) retailer licenses will be  
 4 automatically converted to allow licensees to also sell wine and other vinous  
 5 liquors, and to conduct alcohol tastings, beginning March 1, 2023. These  
 6 licensees include grocery and convenience stores that sell fermented malt  
 7 beverages for off-premises consumption. Fermented malt beverages include  
 8 beer, hard seltzer, and hard lemonade. Vinous liquors include wine, wine  
 9 coolers, sake, cider, and mead. This measure does not impact the types of  
 10 alcohol that may be sold by restaurants, bars, and other establishments.

11 **What are the current types of retail alcohol stores and what are the key**  
 12 **differences in laws governing them?**

13 The legislature made significant changes to the laws governing retail alcohol  
 14 sales in 2016. As a result, liquor stores and liquor-licensed drugstores (grocery  
 15 stores with a pharmacy that sell beer, wine, and spirits), which had been limited  
 16 to one location per licensee were allowed additional locations on a phased-in  
 17 schedule, shown in Table 1. Additionally, grocery and convenience stores  
 18 licensed to sell 3.2 beer (fermented malt beverage retailers) were permitted to  
 19 automatically begin selling full-strength beer.

20 **Table 1**  
 21 **Current Retail Alcohol Licenses**

<b>License Type</b>	<b>Current Licensees<sup>1</sup></b>	<b>Current Allowable Locations Per Licensee</b>	<b>Additional Phase-In of Allowable Locations</b>
Fermented Malt Beverage Retailer <sup>2</sup>	1,784	unlimited	NA
Liquor-Licensed Drugstore <sup>3</sup>	30	8	13 beginning in 2027; 20 beginning in 2032; Unlimited beginning in 2037
Retail Liquor Store	1,521	3	4 beginning in 2027

<sup>1</sup> As of June 2022; Source: Liquor Enforcement Division, Department of Revenue.

<sup>2</sup> Grocery and convenience stores that sell beer only.

<sup>3</sup> Grocery stores with a pharmacy that sell beer, wine, and spirits.

22 Additionally, all stores:

- 23 • may not sell alcohol between midnight and 8:00 a.m.;
- 24 • may not sell alcohol below cost, must purchase alcohol from licensed
- 25 wholesalers, and may not have a vested interest in any manufacturer or
- 26 wholesaler license;
- 27 • must require employees handling alcohol to be at least 18 years of age;
- 28 • may deliver alcohol using their own employees who are at least 21 years of
- 29 age and using a store-owned vehicle; and
- 30 • are subject to applicable distance requirements from other retail alcohol
- 31 stores or schools.

1 Only liquor stores and liquor-licensed drugstores may conduct alcohol tastings.  
2 Liquor-licensed drugstores and fermented malt beverage retailers may not allow  
3 customers to purchase alcohol at self-checkout.

4 For more information about retail alcohol sales, please refer to this legislative  
5 memo about Off-Premises Retail Liquor Licensing:

6 <http://leg.colorado.gov/publications/premises-retail-liquor-licensing>.

*For information on those issue committees that support or oppose the measures on the ballot at the November 8, 2022, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:*

<http://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html>

### 7 **Argument For Proposition ?**

- 8 1) Consumers want the convenience of buying wine with groceries. This  
9 measure builds on the existing system to allow adults to buy wine in grocery  
10 and convenience stores, just as they do now with beer and other fermented  
11 malt beverages. These stores provide a safe and well-regulated environment  
12 to ensure responsible alcohol sales.

### 13 **Argument Against Proposition ?**

- 14 1) The measure overturns the 2016 legislative compromise among alcohol  
15 beverage retailers to the advantage of grocery and convenience stores.  
16 These retailers are already the largest license holder in the state and,  
17 overnight, will be able to sell wine without any state or local review, to the  
18 competitive disadvantage of local retail liquor stores.

### 19 **Fiscal Impact for Proposition ?**

20 [The fiscal impact will be included in the second draft of this ballot analysis.]