

Proposition ? : Third-Party Delivery of Alcohol Beverages

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

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

- 2 • allow third-party companies to deliver alcohol directly to customers on behalf of
3 grocery stores, convenience stores, liquor stores, bars, restaurants, and other liquor-
4 licensed businesses; and
- 5 • permanently allow takeout and delivery of alcohol from bars and restaurants, which
6 is currently scheduled to repeal in 2025.

7 **What Your Vote Means**

YES

8 A “yes” vote on
9 Proposition ? allows

10 third-party companies to deliver alcohol
11 from grocery stores, convenience stores,
12 liquor stores, bars, restaurants, and other
13 liquor-licensed businesses, and makes
14 takeout and delivery of alcohol from bars
15 and restaurants permanently available.

NO

A “no” vote on Proposition ?
maintains current law, which

requires businesses to use their own
employees to deliver alcohol. Bars and
restaurants may offer takeout and delivery
of alcohol through July 2025.

1 **Summary and Analysis for Proposition ?**

2 **What are current policies related to alcohol delivery?**

3 Current Colorado law permits grocery stores, convenience stores, liquor stores,
4 bars, restaurants, and other liquor-licensed businesses to deliver alcohol to
5 customers, but they must use their own employees who are 21 years of age or
6 older and follow other restrictions depending on their license type. Alcohol
7 delivery by liquor stores has been allowed since 1994, by wineries since 1997, by
8 grocery and convenience stores since 2019, and by bars and restaurants since
9 2020. Alcohol takeout and delivery by bars and restaurants is scheduled to
10 repeal in July 2025.

11 **What does the measure do?**

12 Under Proposition ?, grocery stores, convenience stores, liquor stores, bars,
13 restaurants, and other liquor-licensed businesses will be allowed to contract with
14 third-party companies, such as grocery and meal delivery services, to deliver
15 alcohol to customers. The measure also changes current law to permanently
16 allow alcohol takeout and delivery by bars and restaurants.

17 The measure outlines requirements for third-party alcohol delivery companies,
18 including the requirement that companies obtain a delivery permit and follow
19 various safety provisions. All individuals who deliver alcohol through a third-party
20 delivery company are required to be 21 years of age or older, complete a
21 certification program, verify the recipient’s legal age at the time of delivery, and
22 refuse delivery to anyone who fails to provide proof of age or appears
23 intoxicated.

24 Retail alcohol stores and bars and restaurants are currently limited in the amount
25 of revenue they may earn from alcohol delivery and are required to have a
26 physical location in the state; this measure removes these restrictions. Limits on
27 the amount of alcohol that may be offered for delivery or takeout from bars and
28 restaurants remain in law, which are approximately equivalent to 2 bottles of
29 wine, 12 cans of beer, and 1 liter of spirits per order.

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>

30 **Argument For Proposition ?**

31 1) The delivery of groceries and meals has become a convenience that
32 Coloradans expect and continue to support, especially when it facilitates
33 one-stop shopping. Expanding alcohol delivery to allow for third-party
34 deliveries will ensure that delivery services continue to thrive. Customers can
35 more easily support their local stores and restaurants through delivery, while
36 these businesses can use third-party delivery services to reduce the burden
37 of current alcohol delivery requirements.

1 **Argument Against Proposition ?**

2 1) The measure expands alcohol delivery options without the safeguards
3 available in a physical store that ensure lawful and well-managed alcohol
4 sales. Under current law, a liquor store's liquor license can be revoked for
5 alcohol delivery violations; third-party delivery companies may lose their
6 alcohol delivery permit for similar violations, but do not risk losing their
7 business. Additionally, enforcement of alcohol delivery laws is expected to
8 be more difficult due to the volume of residential delivery locations.

9 **Fiscal Impact for Proposition ?**

10 **State revenue and spending.** The measure increases costs in the Department
11 of Revenue by an estimated \$105,000 and 1.2 FTE per year, paid for by revenue
12 from delivery permit fees. The department requires additional administrative and
13 enforcement staff to process applications and conduct delivery compliance
14 checks. Costs also include a vehicle lease and personnel equipment for
15 enforcement staff. Exact licensing fee revenue to the state will depend on the
16 number of applicants and the fee schedule set by the department.

17 **Local government.** Any impact to local liquor licensing authorities is expected
18 to be minimal, as the third-party delivery permit will be administered by the state
19 licensing authority. To the extent that local jurisdictions increase enforcement,
20 workload and costs will increase.