

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

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

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

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

License Type	Current Licensees	Current Allowable Locations Per Licensee	Additional Phase-In of Allowable Locations
<b>Fermented Malt Beverage Retailer</b>	1,819	unlimited	NA
Grocery and convenience stores licensed to sell beer and other fermented malt beverages (e.g., hard seltzer and hard lemonade). New licensees must be located 500 feet from another retail store.			
<b>Liquor-Licensed Drugstore</b>	26	8	13 beginning in 2027; 20 beginning in 2032; unlimited beginning in 2037
Grocery stores with pharmacies licensed to sell all types of alcohol, including fermented malt beverages, wine and other vinous liquors (e.g., wine coolers, sake, cider, and mead), and spirits. New licensees must buy out two retail liquor stores, including all stores within a 1,500 feet radius (approximately three or four city blocks), or 3,000 feet in smaller communities.			
<b>Retail Liquor Store</b>	1,592	3	4 beginning in 2027
Liquor stores licensed to sell all types of alcohol. New licensees must be located at least 1,500 feet away from other retail stores.			

*Licensees as of December 31, 2021; Source: Liquor Enforcement Division, Department of Revenue.*

23 **Operational requirements.** All of the stores discussed above:

- 24 • may not sell alcohol to individuals under the age of 21 or to those who appear  
 25 intoxicated;

- 1 • may not sell alcohol between midnight and 8:00 a.m.;
- 2 • may not sell alcohol below cost, must purchase alcohol from licensed
- 3 wholesalers, and may not have a vested interest in any manufacturer or
- 4 wholesaler license;
- 5 • must require employees handling alcohol to be at least 18 years of age;
- 6 • may deliver alcohol using their own employees who are at least 21 years of
- 7 age and using a store-owned vehicle; and
- 8 • have to be located at least 500 feet away from any school.

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

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

14 <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>

## 15 **Argument For Proposition ?**

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

## 21 **Argument Against Proposition ?**

- 22 1) The measure benefits large national grocery and convenience store chains
- 23 and risks putting locally owned retail liquor stores out of business. The
- 24 measure will more than double the number of stores where wine can be
- 25 purchased, without any community input or state or local government review.

## 26 **Fiscal Impact for Proposition ?**

27 **State revenue and spending.** Workload in the Department of Revenue will  
28 increase to update licensing information and conduct enforcement. Because the  
29 measure expands an existing license type, any impact on revenue and  
30 enforcement is expected to be minimal, as the number of licensees will not  
31 change as a result of the measure.

32 **Local government.** Similar to the state, local liquor licensing authorities will  
33 have an increase in workload to update information and conduct enforcement.  
34 Because the process is automatic, no additional licensing-related workload is  
35 required.