

# Initiative 96: Increase Allowable Liquor Store Locations

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

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

- 2 • gradually allow retail liquor stores to add locations, with an unlimited number  
3 of locations authorized beginning in 2037.

4 **What Your Vote Means**

**YES**

5 A “yes” vote on  
6 Proposition ? allows retail

7 liquor stores to gradually obtain an  
8 unlimited number of locations.

9

**NO**

A “no” vote on Proposition ?  
retains current law that limits

retail liquor stores to a total of three  
locations in the state through 2026, and a  
total of four locations thereafter.

1 **Summary and Analysis for Proposition ?**

2 Currently, retail liquor stores are limited to three locations per licensee, with four  
3 locations allowed beginning in 2027. Under this measure, retail liquor stores  
4 would be allowed to have the same number of locations as liquor-licensed  
5 drugstores (grocery stores with a pharmacy that sell beer, wine, and spirits), as  
6 follows:

- 7 • 8 total locations beginning upon passage of the measure;
- 8 • 13 total locations beginning in 2027;
- 9 • 20 total locations beginning in 2032; and
- 10 • an unlimited number of locations beginning in 2037.

11 This measure does not impact grocery and convenience stores that currently sell  
12 only beer, which are allowed to have an unlimited number of locations.

13 Additional information about retail liquor stores can be found in the summary and  
14 analysis for Initiative 121 on page ?.

*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) This measure brings parity to retail liquor stores. Currently, grocery store  
17 chains that are licensed to sell beer, wine, and spirits are permitted many  
18 more locations than retail liquor stores, with unlimited locations beginning in  
19 2037. Meanwhile, retail liquor stores are limited to four total locations in  
20 perpetuity. Proposition ? addresses a long-term competitive disadvantage for  
21 retail liquor stores relative to large grocery store chains.

22 **Argument Against Proposition ?**

- 23 1) Proposition ? creates a competitive disadvantage for locally owned liquor  
24 stores that don't have the capacity to easily expand like large liquor store  
25 chains. The measure upends current law, which is meant to ensure that  
26 neighborhood liquor stores can continue to serve their local community in a  
27 fair market environment. Many of these small businesses are owned by  
28 minorities and women, who may lose customers as a result of increased  
29 competition from large liquor store chains.

30 **How does the Colorado Public Utilities Commission set utility rates?**

31 Investor-owned utilities must seek PUC approval to change rates for services  
32 provided to customers. These requests, called rate cases, are typically similar to  
33 formal court hearings. Following these hearings, the PUC issues a formal  
34 decision approving, modifying, or denying the requested rate change.

1 **Estimate of Fiscal Impact for Proposition ?**

2 **State revenue.** The measure may increase state revenue from new retail liquor  
3 store licenses and ongoing renewals; however, the net impact of the change is  
4 assumed to be less than \$10,000 per year. Revenue is from state and local  
5 liquor licensing fees and is split between state cash funds and the General Fund.

6 **State expenditures.** The measure minimally increases workload for the Liquor  
7 Enforcement Division in the Department of Revenue to perform rulemaking,  
8 process applications for new retail liquor stores, and conduct enforcement.

9 **Local government.** The measure will minimally increase workload for local  
10 licensing authorities to process applications for new retail liquor stores and  
11 revenue from local application and licensing fees.