



## Proposition 124: Increase allowable liquor store licences

### Student Voter Information Guide

Colorado Proposition 124 is a ballot measure that addresses the fate of the amount of liquor store licenses that businesses can have.

The background history of this issue is the result of businesses wanting to expand their ability to have more liquor licenses to expand their businesses. Proposition 124 can create a disadvantage for locally owned liquor stores that do not have the capacity to easily expand like large liquor store chains. The measure upends current law designed to ensure that neighborhood liquor stores can continue to compete with other retail liquor stores. Many of these small businesses are owned by minorities and women, who may lose 33 customers as a result of increased competition from large liquor store chains. The Current bill, SB20-053, regulates liquor stores and only allows them to have three locations. “Under current law, a retail liquor license that was licensed on or before January 1, 2016, and is a Colorado resident is permitted to attain one additional retail liquor store license on or after January 1, 2017; 2 additional retail liquor licenses on or after January 1, 2022; and three additional liquor store licenses on or after January 1, 2027”

A “**yes**” vote supports incrementally increasing the number of retail liquor store licenses an individual may own or hold a share in, as follows: 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” (Ballotpedia, 2022). A “**yes**” vote can bring a parity to retail liquor stores that have been 21 disadvantaged by the limited number of allowed locations. “Currently, grocery store chains that are licensed to sell beer, wine, and spirits are permitted 23 many more locations than retail liquor stores, with unlimited locations 24 beginning in 2037. Meanwhile, retail liquor stores are limited to four total 25 locations in perpetuity. Proposition 124 addresses a long-term competitive 26 disadvantage for retail liquor stores relative to large grocery store chains.”

A “**no**” vote opposes increasing the number of retail liquor licenses an individual may own, thereby leaving in place current law which limits retailers to opening a maximum of three liquor stores in Colorado”. (Ballotpedia, 2022) A “**no**” vote opposes increasing the number of retail liquor store licenses an individual may own, thereby leaving in place current law which limits retailers to opening a maximum of three liquor stores in Colorado. If Initiative #96 passes, large, corporate conglomerates will be allowed to move into Colorado, popping up on every corner and driving out our local businesses.

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The Arguments for the proposal include how by allowing the increase in liquor licenses for the state, it will in the long run allow for more revenue for those businesses. Supporting local and small businesses are what's best for the state and communities because they stop economic leakage. It also supports "incrementally increasing the number of retail liquor store licenses an individual may own or hold a share in, as follows:

- 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."

The Argument against the initiative is that with the increase in liquor store licenses, that could lead to an increase in alcohol consumption which could then lead to more people drinking and driving, causing a public safety issue. There are also concerns by small liquor store owners that this proposition would harm their business by allowing large regional and national chains to open more locations and push them out of business.

#### Sources:

[https://ballotpedia.org/Colorado Proposition 124, Retail Liquor Store Licenses Initiative \(2022\)](https://ballotpedia.org/Colorado_Proposition_124,_Retail_Liquor_Store_Licenses_Initiative_(2022))

[https://leg.colorado.gov/sites/default/files/initiative%2520referendum\\_init%2096%20final%20lc%20packet.pdf](https://leg.colorado.gov/sites/default/files/initiative%2520referendum_init%2096%20final%20lc%20packet.pdf)

<https://www.jdsupra.com/legalnews/colorado-s-2022-ballot-certified-so-2901883/>

[Prop.124 explained: Should liquor retailers be able to have an unlimited number of Colorado stores? \(coloradosun.com\)](https://www.coloradosun.com/news/prop-124-explained-should-liquor-retailers-be-able-to-have-an-unlimited-number-of-colorado-stores/)