



Initiative 121

Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Fiscal Impact Statement

Date: June 3, 2022

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LCS TITLE: SALES OF ALCOHOL BEVERAGES

Fiscal Impact Summary	FY 2022-23	FY 2023-24
Revenue	-	-
Expenditures	-	-

***Disclaimer.** This initial fiscal impact statement has been prepared for an initiative approved for petition circulation by the Secretary of State. If the initiative is placed on the ballot, Legislative Council Staff may revise this estimate for the ballot information booklet (Blue Book) if new information becomes available.*

Summary of Measure

Under the measure, beginning March 1, 2023, the Colorado Beer Code is renamed the Colorado Beer and Wine Code. Fermented malt beverage retailer licenses are automatically converted to fermented malt beverage and wine retailer licenses on that date, without any further action by the state or local licensing authority or the licensee. On that date, these licensees may sell vinous liquors in addition to fermented malt beverages for off-premise consumption and may allow tastings on the licensed premises. Fermented malt beverage and wine retailer licenses are subject to the existing 500-foot distance requirements from retail liquor stores for the fermented malt beverage retailer licenses.

Background

The fermented malt beverage retailer license was expanded through Senate Bill 18-243 so that, beginning January 1, 2019, this license type allows grocery stores, convenience stores, and other similar retail stores that had been selling 3.2 beer to sell full-strength beer in sealed containers at an unlimited number of locations. SB 18-243 also allowed a limited number of grocery stores and other retail stores that have a licensed pharmacy to sell full-strength beer, wine, and spirits in sealed containers at up to eight individual store locations, increasing to 13 locations in 2027, 20 locations in 2032, and an unlimited number of locations in 2037. Retail liquor stores are allowed to sell full-strength beer, wine, and spirits in sealed containers at up to three individual store locations, increasing to four locations in 2027.

State Revenue

As the bill automatically converts a liquor license type, any increase in fee revenue to the Department Revenue will be minimal.

Taxpayer Impact

The measure is not anticipated to significantly impact taxpayers.

State Expenditures

Workload in the Department of Revenue will increase to update licensing information. Since the measure expands an existing license type, any impact on enforcement is expected to be minimal as the number of licensees will not change.

Local Government

Similar to the state impact, local liquor licensing authorities will have an increase in workload to update information and conduct enforcement. Because the process is automatic, any workload increase is expected to be minimal.

Effective Date

If approved by voters at the 2022 general election, this measure takes effect upon proclamation of the Governor, no later than 30 days after the official canvass of the vote is completed.

State and Local Government Contacts

Revenue

Other Sources Considered

No proponents or interested persons submitted estimates for the fiscal impact summary.