Liquor Enforcement Division Colorado Liquor Compliance Working Group Meeting #2

Meeting of August 6, 2015 9:00 am – 12:00 pm Colorado Department of Revenue 1881 Pierce Street, Room 110 Lakewood, CO 80214

Working Group Members Present: Patrick Maroney, Co-Chair Ron Kammerzell, Co-Chair Donia Amick, Chief of Investigations Lynda Atkins, Attorney General Office Cheryl Aragon, City Government Sharon Liu, Community Prevention Holly Carrell, County Government Carl Terry, Law Enforcement Representative Garin Vorthmann, Liquor – Brewery (Large Brewery) Jenn Penn, Liquor – Brewery (Large Brewery) Andrew Lemley, Liquor – Brewery (Small Brewery) Rachael Burrell, Liguor – Brewery (Small Brewery) Joan Green Turner, Liquor – Distillery (National View) Stephen A Gould, Liquor – Distillery (State View) Jim Shpall, Liquor – Off Premises (Independent) Jeanne M McEvoy, Liquor – Off Premises (Statewide) Mark Berzins, Liquor – On Premises (Restaurants) Sonia Riggs, Liquor - On Premises (Restaurants) Mickey Petrollini, Liguor – On Premises (Tavern) Micki Hackenberger, Liquor – Wholesaler Justin Voigts, Liquor – Wholesaler Chuck McGrigg, Liquor – Winery (National) Doug Caskey, Liquor – Winery (State) John Tipton, Liquor Attorney Fern O'Brien, Liquor Attorney Ilana Kurtzig, M.A.D.D. John Stonebraker for Pete Meersman, Member at Large Sandy Metzger, Member at Large

I. Welcome and Introductions

Patrick Maroney, Director, opened the meeting and began by thanking the working group members for their time and the public for their attendance. Each working group member and the public introduced themselves. Director Maroney stated that only working group members

are allowed to participate in this discussion and that public comment will be allowed at the end of the meeting.

II. Subgroup Reports

Each of the sub working groups reported on their respective topics:

Trade Practice

John Tipton, Chair, reported on the last meeting that was held for the Trade Practices Working Group. A copy of the minutes was supplied to all working group members. He explained that the group is reviewing a Liquor Industry Bulletin that was distributed by Don Burmania, a previous Director with the Liquor Division, in regards to sweepstakes and products that can be displayed. The group is looking at the broad interpretation of unlawful financial assistance. The group is also continuing to work on the list of items that were started last year. Director Maroney asked if there was any other issue that a member feels the Trade Practice sub group should be assigned. No one came forward and Mr. Tipton requested that if there are suggestions to send him an email. The Liquor Division will send out a Doodle invite to the sub group members to schedule the next meeting.

Self-Distribution/Growlers

Jim Beimford indicated that the issue of self-fill growlers at off premises accounts was withdrawn from the agenda stating that the group decided there are much more important issues coming up and this issue may also require changes to legislation. The sub group had a great discussion regarding self-pour establishments and agreed that rules need to be written that can be consistently enforced but nobody seems to have an issue if it is able to be controlled. Jim will look at regulations from other states and come up with proposed language for a rule change. He asked the largest manufacturer of self-pour systems to attend the next meeting to answer questions. A discussion was had regarding setting house limits for self-pour, ounce counts, supervision etc. Director Maroney then asked this group to take on a new agenda item: to look into the fact that the current regulations do not allow for a delivery only service and we need a clear definition of what that means. He would like to create a definition by rule that clarifies what is the minimum standard of not being a delivery only business.

Powdered Alcohol

Director Maroney, Chair, explained that this sub group has had a couple meetings since the last main working group with the main on: Ease of concealment, Labeling, Packaging, Size of Package and Signage at establishments. Director Maroney stated that he has invited the business representative that currently manufactures powdered alcohol to attend the next main working group meeting to answer additional questions the members may have. He also explained that the DOR Tax Division is working to draft regulations to tax the powdered alcohol on the equivalency of powdered to liquid. Further discussion continued regarding varied issues of powered alcohol. Director Maroney stated the next sub group meeting on will be held on August 12.

Local Input from Salesrooms

Doug Caskey, Chair, related that the sub group is looking at the statute to existing regulation which mostly applied to distilleries and wineries. They incorporated statutory language to

include breweries as well and adjusted some additional language. A copy of the draft rule was supplied to members. The group is also soliciting input and clarification from the Clerks Association as to what is an acceptable form of notification. A manufacturer's training was held last week and what happens if a licensee moves or modifies premises was discussed. Questions revolved around what event would trigger notification and another review by locals. Director Maroney gave some clarification regarding the questions, but indicated that additional research needs to be done. A small change to the rules and regulations may need to be made. The working group had additional discussion regarding issues of this sub group. The next meeting will be held on August 18.

Break

Director Maroney brought the meeting back to order and began by discussing a letter he sent out regarding the new laws and changes with the Manufacturer Sales Rooms forms that need to be completed by Friday. Those Malt Liquor Sales Rooms, Winery Sales Rooms and Distillery Sales Rooms that are at the location of the licensed premises and are already approved, do not have to go through the approval form, but do need to be reported to the Division. A form will be sent out to each licensee and will also be posted on the website. The class of license and address of sales rooms will also be posted on the website within the next few months. Director Maroney answered questions regarding the letter and discussion followed.

Director Maroney stated that the First Annual Colorado Alcohol Beverage Symposium will be held on October 6 & 7 at the Springhill Suites in Denver on the Auraria Campus. Registration will be available online through the symposium website.

Director Maroney opened the discussion to items not on the agenda and for public comment; nobody came forward.

V. Consideration of Organizational Matters

Director Maroney explained the rule making timeline and the completion of this Main Working Group. He stated that a Doodle invite will be sent out to set the date of the next working group.

The meeting was adjourned.