

Colorado Liquor Enforcement Division
SB16-197 STATUTORY Working & (Sub-Groups)
Minutes of the Meetings

Meeting of May 19, 2017
1:00p – 4:30p

Lewis Roca Rothgerber LLP
1200 Seventeenth St., Suite 3000

Introductions & Announcements

Director Maroney opened the meeting with introductions at 1:10pm. He sent out the Recommendation Template. His expectation is to get a report to the Legislature before January 1, 2018. Lisa McCann will be writing that report and needs to have the majority of the report written by September to allow time for review and revisions. So get your recommendations in as soon as possible.

LED plans on submitting a recommendations regarding public consumption of beer when full strength is sold (barring local laws) current law pertains to malt liquor, wine & spirits only... not 3.2 beer.

3.2 % Beer Sub-group: (Chairman – Patrick Maroney)

Purpose

Develop an implementation process for grocery & convenience stores to apply for a license to sell malt liquor and fermented malt beverages containing at least one-half percent alcohol by volume starting January 1, 2019.

Analyze the impact that removed the alcohol content limit on fermented malt beverages will have on the alcohol beverage industry as a whole, as well as on current retail licensees.

Discussions/Questions

- Licensing: We still do not have any consensus on the recommendation for 3.2% beer – Ideas from letting nothing happen legislatively to mandating license hearings for all outlets who will sell beer occur. Encouragement was provided to the industry in hopes to come to a resolution for the report in January.
- Public Consumption: LED won't propose an all-out ban...we are looking for something to allow both cities and counties the ability to have input but allowing public consumption in state law is not in the best interest of public policy. Other ideas were to limit public consumption based on a percentage of alcohol. This could be difficult because each beer bottle/can would have to have mandatory printing of the alcohol content. We prefer to carve out a legal exception to allow X-Y-Z (banned otherwise).
- What can a community do if they do not want full strength beer at 8:00 in their neighborhood? What would the mechanism be at the local level?
- We need to get our recommendations submitted and see where we stand from there. Deadline for submission of Recommendations to LED is June 5th. You can still submit additional recommendations for the July meeting.

3-Tier Subgroup: (Chairman – Ron Kammerzell)

Purpose

Shall consider other legislative, regulatory, or administrative changes necessary to promote the three-tiered distribution system in Colorado.

Discussion

- When does the Manufacturer process end?
- When does the retail sale (either from Retail Liquor Stores or Wineries) take place for online sales? (Home sales are not legal).
- What are the steps we need to take to prevent the erosion of the 3-Tier system?

Tastings & Growlers Subgroup: (Chairman – Donia Amick)

Purpose

Examine and make recommendations regarding laws governing tastings conducted on retail premises licensed under Article 47 of this Title and the ability of retail liquor stores licensed under Section 12-47-407 to sell growlers containing malt liquors.

(Growlers)

Consensus – Issued Closed. (DA)

(Tastings)

- Allow Tastings on Sunday (Consensus)
- Increase days to 150 a year (Consensus)
- Increase hours from 11am to 9pm for a total of 8 hours (Consensus)
- Discards – left over product to be stored in locked area of license premises. Employees cannot have access to this area. (Consensus)

Discussion

- Who should be allowed to pour? The working group appeared to have consensus concerning who should pour to include the supplier.
- Will a compliance check failure will apply to all if the wholesalers or suppliers violates? (No Consensus)
- Who pays for the product? LED's position is that retailers have to pay so it does not become a Trade Practice issue. (No Consensus)
- Take a look at Marijuana's website – Recommendation #6 & #9.

Closing Statements

Get your Recommendations in before June 5th to be discussed at the June meeting.

2:23 Adjourned