

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

Meeting of October 13, 2016  
8:00a – 3:00p

Department of Ag.  
305 Interlocken Pkwy.  
Broomfield, CO

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**Welcome & Introductions (& Announcements)**

Director Maroney opened the meeting and began by thanking everyone for coming.

We are to have our Recommendations & Findings to the Legislature by January, 2018. Also please make note that the Liquor Rule Making Hearing is scheduled on October 31, 2016 to start at 1:00pm at 1881 Pierce Street, Room 110.

**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.

**Discussion**

- Is this as simple as changing the 3.2% definition? There was much discussion about having an actual application process or just allowing conversions. There were several different thoughts on this subject.
- Do we combine Article 46 & 47 or do we make changes to Article 46?
- How will this affect Retail Liquor Stores and the 1,500 | 3,000 requirements? Currently, 3.2 beer licenses would not be subject to the distance limitation.
- Do we create a new business type?
  - » Will current 3.2 licensees have to reapply or will they automatically be re-issued under the new license type.
  - » Re-do neighborhood Needs & Desires?
  - » What if within 500 feet of schools?
  - » Grandfathered or not?
- What about 3.2 beer in Parks? Possibly changing laws to allow public consumption with parameters.
- What are the Public Safety issues caused by this? Public consumption and/or proximity to schools?
- Will each License Type be willing to give up a little to meet a consensus?
- Do we get rid of 3.2 on/off license type?
- Is it this group's goal to allow those who currently have a 3.2 License to keep a license (in some form or fashion – to be able to still sell beer) come January, 2019? Majority agreed.
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**Next Meeting**

- Need hard statistics from Liquor Enforcement. How many 3.2, Retail Liquor Stores & Liquor Licensed Drug Stores are there?
- CML to ask Locals what they may require with regard to local ordinances.

**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

- Education and Outreach to Strengthen 3-Tier process
- Trade Practice Enforcement
  - » Give LED Teeth (Allow higher fines for violations)
  - » More staff for trade practice investigations
- Other states are being challenged on 3-Tier process.
- Add 3-Tier support statement to Statute like the Division of Gaming.
- Protect & Preserve 3-Tier (do not let get eroded)

## Next Meeting

- Bring a copy of the Statute that pertains to 3-Tier.

## Tastings & Growlers Subgroup: (Chairman – Patrick Maroney – for Lewis Koski)

### 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.

### Discussion | Tastings

- What is the difference between Tastings & Samplings?
- Do we increase the number of days allowed for Tastings?
- Who can pour?
  - » Value of Labor
- Wineries can charge for tastings... Retail Liquor Stores cannot.
- Pour out leftover alcohol (what if another tasting next day)?
  - » We can lock up?
  - » Would this violate open container law in Retail Liquor Stores?
- With Blue Law change... can we have Tastings on Sundays now?
- Pour amounts allowed
- Key issues (from RLS):
  - Sunday tastings
  - # of tastings per year
  - Amount allowed to pour
  - Problems with having to discard any remaining product
  - Who gets to pour – why not suppliers/wholesalers
  - Who can pay for the product – retailers v. wholesalers
  - RLS would like to have educational classes to promote products

### Discussion | Growlers

- Allow refills at Retail Liquor Stores?
- Breweries sell container. Will only refill their container.
- Will this pertain to Retail Liquor Stores only?
- Health & Safety of Public
  - » How maintain quality of product?
  - » Inspected by Health Department?
  - » What if growler brought back unsanitary?
  - » Allow only employees to fill?
  - » Requirements to keep out of reach of customers (maintain sanitary conditions).

- Determine cost (offered below laid in).
- Manufacturers' ability to opt out.
- Retailer to pay for refill stations. What about leases from wholesalers?
- Key issues (from RLS):
  - Should RLS be allowed to refill/sell growlers?
  - Does a food service license apply?
  - Should the brewer need to opt in?
  - Purchasing and leasing of equipment
  - Who fills the growler? Employee or customer
  - Quality of product?
  - Who cleans the lines used to fill growlers
- There was a lot of discussion whether or not the working group could recommend other license types to be able to sell/refill growlers. Both Mr. Kammerzell and Mr. Maroney pointed out the wording from SB16-197 said for the working group to make recommendations for RLS to sell growlers. If others want that ability, this information will be a part of the report but the recommendation can only include what SB16-197 states. Others in the room felt SB16-197 does give a broader perspective.

#### **Next Meeting | Tastings & Growlers**

- Bring list of bullet points you believe are issues.
- Present any rules from FDA regarding Growlers.
- Many states currently doing. Get their guidelines. What were their issues?

The remaining meetings for 2016 are November 16<sup>th</sup> (to include the Working Group) and December 13<sup>th</sup> (Sub-Groups only). Locations of these meetings have not been determined. Meetings will begin at 8:00am.

In the November meeting we will set the meetings for 2017. Once set they will not be changed, so please notify us at [DOR\\_LED@state.co.us](mailto:DOR_LED@state.co.us) if there are days that absolutely will not work for you and we will try to take it into consideration.

The meeting was adjourned 3:10pm.