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Summary of Proposed Topics for Voting by the LAG

Disclaimer: These are the proposed votes from the Liquor Advisory Group, but the General Assembly is the final decision maker for any subsequent statutory changes.

Pursuant to the LAG Charter, the report to the General Assembly is to include "a final assessment of the LAG's level of support for a recommendation, option, or idea will be conducted publicly and recorded in the special report. The recommendations or options considered, level of agreement for each recommendation or option, and a summary of the rationale for both supportive and dissenting views. Interim feedback on specific topics, options or alternatives may be provided throughout the process."

Below is a summary of proposals from LAG Subgroups for consideration and vote by the LAG. The language of each proposal may be amended by the LAG group members during the discussion prior to a vote of the LAG. The proposals and votes will be included in the LAG Report.

Date of Vote: May 4, 2023

Marketplace Structure Subgroup

Proposal 4: Wholesaler Trade Shows

Current Statutory Language:

None.

Proposal from Subgroup

- Create a new statute under 44-3-407, C.R.S. (Wholesaler statute) that will give wholesalers the ability to hold trade shows to allow liquor licensed retailers to sample products on their licensed premises in an area designated for trade shows. These events shall not be open to the general public.
 - <u>LED suggested further revision for discussion</u>: Limit the area for trade shows for liquor licensed retailers to an area on the licensed premises, such as a conference room or kitchen area, but specifically excluding the docking, or delivery, or warehouse storage areas of the licensed premises, and specifically excluding any sales room during any time when the sales room is open to the public.

• Additional statutory language will provide the Liquor and Tobacco Enforcement Division with rulemaking authority.

Regulation of Retail Operations Subgroup

Proposal 2: New Statute to Allow Off-Premises Retailers to Offer Educational Classes

Current Statutory Language:

None.

Proposal from Subgroup

- Create a new statute under title 44, article 3 that will give off-premises retailers the ability to hold classes in an education setting with the following guardrails:
 - A fee can be charged for the classes. No charge for a drink/by the drink but instead for the educational experience.
 - Prohibit educational class members from participating in any tasting events on the licensed premises as a public safety priority. A licensee shall implement a means of tracking how many samples each patron is provided, which may include the use of a wristband, or other means of accurately tracking individual patron consumption.
 - Class instructors must have successfully completed responsible alcohol beverage vendor training.
 - Additional statutory language will provide the Liquor and Tobacco Enforcement Division with rulemaking authority to establish sample size limits and total volume limits instead of putting limits in statute.
 - A manufacturer and/or wholesaler may pay for alcohol beverages utilized for an educational class if they are in attendance at the educational class. If neither the wholesaler or manufacturer participates in the class, the retailer must pay for the product.
 - Alcohol beverages brought in for the educational class may only be used for that class, and all unopened product leftover must be removed by the wholesaler or manufacturer upon the end of the class. Opened, unfinished product can be used by the retailer only at a future class and must be locked up off the sales floor.

Proposal 5: Increase purchase limits for an on-premises retailer from an off-premises retailer

Current Statutory Language

Language is in multiple places throughout Article 3.

Ex: 44-3-413(7)(b)(I) During a calendar year, a person selling alcohol beverages as provided in this section may purchase not more than two thousand dollars' worth of malt, vinous, and spirituous liquors from retailers licensed pursuant to sections 44-3-409, 44-3-410, and 44-4-104(1)(c).

Proposal from Subgroup

- Amend statutory language to allow an on-premises retailer to purchase not more than seven thousand dollar's worth of malt, vinous and spirituous liquor (as allowed by their license type) from retailers licensed pursuant to sections 44-3-409, 44-3-410, or 44-4-104(1)(c) in a calendar year.
 - This limit shall be adjusted on an annual basis according to inflation.