

STATE OF  
COLORADO

Hollar - DOR, Noelle

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**Fwd: Suggestions Related to Substance Abuse Rule**

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**Stone-Principato - DOR, Michelle** <michelle.stone-principato@state.co.us>  
To: Noelle Hollar - DOR, Alexander Klein - DOR  
Cc: Alan Call, Hiwot Covell

Tue, Aug 20, 2024 at 1:29 PM

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From: **Bruce Dierking** <b.dierking@hazelsworld.com>  
Date: Tue, Aug 20, 2024 at 1:21 PM  
Subject: Suggestions Related to Substance Abuse Rule  
To: Stone-Principato - DOR, Michelle <michelle.stone-principato@state.co.us>

Michelle,

I hope you had a good weekend. I want to offer a few comments and suggestions to you and your team:

- Section 9 of SB 24-048 expressly says that the purpose of the rule is “to assist individuals who are recovering from substance abuse disorders . . .”.
- For retail liquor stores, the major concern is getting caught up in a broad rule aimed primarily at grocery and other food stores. Our business model is very different, and a rule aimed at food stores could have unintended consequences if applied to a liquor store setting.
- People recovering from substance abuse disorders typically do not come into our stores at all, and if they do, it is to buy alcohol. How we display our products will not change that fact nor cause an alcohol purchase that would not have otherwise occurred.
- By law, at least 80% of liquor store sales must be alcohol products, and in practice most stores derive over 98% of our revenue from alcohol products. This is in stark contrast to food stores that sell alcohol as an accessory product. Everyone needs to eat and therefore people in recovery must go to grocery stores. And even a grocery retailer that sells a lot of alcohol will derive less than 5% of its revenue from alcohol sales. Alcohol is an accessory product for them. Non-alcohol items are an accessory product for us.
- Merchandising non-alcohol products in a liquor store near alcohol products (e.g., putting tonic water next to gin) does not raise the same public safety concerns as merchandising alcohol products next to food (e.g., putting a stack of wine in the produce department).
- A number of the substance abuse recovery advocates in the last meeting mentioned that they do not believe retail liquor stores are the issue when it comes to alcohol displays and that the rule need not apply to us.

- The Illinois statute shared with the group exempts areas where alcoholic liquors are the primary items for sale or where persons under age 21 are prohibited from entering with a parent or legal guardian. If a similar exception is included in the rule, it will eliminate the concerns of most liquor stores.
- Although retail liquor stores are not legally obligated to prohibit unaccompanied minors in our stores, the vast majority of us do so. The rule could limit the exemption only to those stores with such a policy.
- You mentioned that the rationale for existing Regulation 47-950 being applied equally to grocery stores and liquor stores is that we both sell food. However, there are other examples of liquor stores being regulated differently than grocery stores even though we both sell food. Grocery stores and convenience stores can accept EBT cards, whereas liquor stores cannot. This makes common-sense because the amount and type of food liquor stores sell is not comparable to a grocery store, and customers come to our stores to buy alcohol, not food. Alcohol is the principal product in a liquor store, and everyone who enters one of our stores knows that. Customers do not shop with us to buy their groceries.
- For all these reasons, we respectfully ask that the rule provide an exemption for retail liquor stores that do not permit unaccompanied minors in our stores. Doing so will not conflict with the stated purpose and intent of SB 24-048.

Thank you for your consideration of these thoughts, and please let me know if you have any questions.

Best regards,

Bruce

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**Michelle Stone-Principato**

She | Her | Hers

**Director**



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<https://sbg.colorado.gov/liquor>

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Liquor Enforcement Division Email Subscription:

<https://sbg.colorado.gov/liquor-industry-members>

For licensing questions: Licensing: [DOR\\_LIQLICENSING@state.co.us](mailto:DOR_LIQLICENSING@state.co.us)

For enforcement questions: Enforcement: [DOR\\_LED@state.co.us](mailto:DOR_LED@state.co.us),

Have a Tip: <https://sbg.colorado.gov/liquor-responsible-vendor-trainers>

Are you a Clerk? Clerks Corner: <https://sbg.colorado.gov/clerks-corner>

The Division offices' email addresses and contact information are on the "contact us" page of Led's website. <https://sbg.colorado.gov/contact-the-liquor-and-tobacco-enforcement-division>

The Liquor Code and Regulations are available (in searchable PDFs) on our website on the <https://sbg.colorado.gov/liquor-enforcement-laws-rules-regulations> page.