

The Colorado Restaurant Association (CRA) is the premier trade association representing restaurants in the State of Colorado. CRA membership makes up roughly half the restaurants in the state, which is more than 5,000 locations across Colorado. Our membership is deeply interested in the actions of the Liquor Advisory Group (LAG). We would like to submit the following comments on the proposed recommendations.

## **Executive Summary**

The document breaks down the recommendations from the LAG into three separate sections:

- Statutory recommendations with consensus
- Statutory recommendations without full consensus
- Proposals not approved by liquor advisory group subgroups

The CRA believes the section titled "Statutory recommendations with consensus" is misleading since 4 of the proposals included in it received at least one "no" vote. These recommendations are as follows:

- Proposal 3: Soft close for last call
- Proposal 5: Increase purchase limits for an on-premises retailer from an off-premises retailer
- Proposal 10: Colorado manufacturers sales room sales of alcohol
- Proposal 27: Catering license

Furthermore, the LAG's own document explicitly notes these four proposals did not receive consensus, stating in each case that "this proposal received near consensus". Because of this, the CRA doesn't believe it is appropriate to include these recommendations in the "Statutory recommendations with consensus" section.

## Proposal 3: Soft close for last call

For Proposal 3, soft close for last call, the fourth bullet on the proposal on page 10 of the report uses the phrase "Prohibit on-premises retailer licensees from selling or providing alcohol after 2 a.m.". The inclusion of the word "providing" implies a customer may not be able to receive alcohol after 2am, even if the alcohol was ordered and purchased prior to 2am. This would be in direct contradiction to the conversation that took place during the April LAG meeting when this proposal was approved. In that meeting, Director Stone-Principato made comments that alcohol could still be delivered to the customers if it was purchased prior to 2am (these comments can be found at 1:45:36 in the recording of that meeting). We request that this language be clarified

to make it clear that alcohol purchased prior to 2am would be allowed to be delivered to guest after 2am and before 4am.

Furthermore, in the last bullet on the proposal on page 10 which would "allow discretion to municipalities to require on-premises licensees to close prior to 4 a.m.", the CRA requests language be added to clarify and fit the scope of the conversation had by the LAG. The way it currently reads could be interpreted to give municipalities discretion to require on-premises licenses to close at any time prior to 4 a.m. instead of at any time between the current hard close time of 2 a.m. and 4 a.m. (which was the scope of the conversation that took place during the LAG meeting and vote). Including such broad and ambiguous language in this proposal runs the risk of restricting the hours of alcohol sales currently available to on-premises licenses which would be totally counter to the purpose and discussion around this proposal.

Finally, in the second to last paragraph of proposal 3 on page 11, the report outlines a conversation about limits being discussed around serving sizes and quantity of drinks customers can purchase at last call. The recommendation mentions "LED commented that issues surrounding serving sizes or drink limits might be better addressed in rulemaking" however, the recommendation omits comments made during the meeting by LAG members arguing contrary to this point. The CRA believes the selective inclusion and omission of comments undermines the credibility of the report and presents an inaccurate narrative of the proceedings of the LAG.

## <u>Proposal 25: Allow restaurant to have the option for customers to bring in a bottle of wine and charge a corkage fee</u>

For Proposal 25, allow restaurants to have the option for customers to bring a bottle of wine and charge a corkage fee, the final paragraph of the proposal on page 30 of the report mentions that the Colorado Restaurant Association shared the industry was split on this issue, which is a factual statement. However, the recommendation omits specific concerns named by the CRA, specifically:

- Restaurants that have made significant investments into their wine program feel that
  allowing customers to bring wine into their restaurants would immediately devalue the
  investments made into their wine program.
- Allowing customers to bring wine into restaurants forces those businesses into unnecessary conflicts with their customers if that business has made the decision to not participate in the corkage allowance.